

**EXHIBIT 73 to Declaration of Joel Israel**

## Case Summary

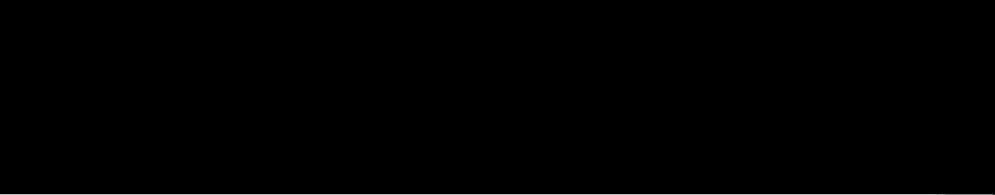


Delete Case		<b>Money laundering disclosure</b>		CIFAS	NCIS																									
<b>Case Summary</b>	Record Data	Subject Data	Notes & Conclusion	Key Corresp																										
<b>Incident Data</b> <table style="width: 100%;"> <tr> <td style="width: 30%;"><b>Control Authority</b></td> <td style="width: 20%;">RBS Retail Bank</td> <td style="width: 10%;"><b>Status</b></td> <td style="width: 10%;">Closed</td> <td style="width: 30%;"><b>Source:</b> [GK2:698074]</td> </tr> <tr> <td><b>Review Date</b></td> <td></td> <td><b>by</b></td> <td></td> <td></td> </tr> <tr> <td><b>Remote Delivery Channel</b></td> <td>N</td> <td><b>High Profile</b></td> <td>N</td> <td></td> </tr> <tr> <td><b>Created on</b></td> <td>02 May 2003 00:00</td> <td><b>by</b></td> <td>EUROPA_Dobsomj</td> <td></td> </tr> <tr> <td><b>Last Modified on</b></td> <td>07 May 2003 00:00</td> <td><b>by</b></td> <td>RBS_Hartida</td> <td></td> </tr> </table>				<b>Control Authority</b>	RBS Retail Bank	<b>Status</b>	Closed	<b>Source:</b> [GK2:698074]	<b>Review Date</b>		<b>by</b>			<b>Remote Delivery Channel</b>	N	<b>High Profile</b>	N		<b>Created on</b>	02 May 2003 00:00	<b>by</b>	EUROPA_Dobsomj		<b>Last Modified on</b>	07 May 2003 00:00	<b>by</b>	RBS_Hartida		<b>Linked Cases</b> <div style="border: 1px solid black; padding: 5px;"> <p><a href="#">725601</a> Business auto-linked</p> <p><a href="#">779132</a> Business auto-linked</p> <p><a href="#">1511040</a> Business auto-linked</p> <p><a href="#">1766776</a> Business auto-linked</p> <p><a href="#">2273567</a> Phone auto-linked</p> <p><a href="#">2687376</a> Business auto-linked</p> <p>Maintain Links</p> </div>	
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<b>Queries</b>	<b>Refer To</b>	<b>Tel No.</b>	<b>Business</b>	<b>Unable to contact ?</b>																										
			NONE	Yes																										
<b>Money laundering disclosure Record</b>																														
<b>Submitting Branch</b>		<b>Submitted By</b>		Alison Winter																										
<b>Submitting Unit Sortcode</b>		<b>Contact No</b>		0191 232 1211																										
<b>Submitting Department</b>		<b>Legislation</b>		DTA 94																										
<b>Estimated Laundering Total</b>		5000 <Unknown>																												
<b>Reason(s) for Suspicion</b>																														
Please see attachments and/or Case Notes where available for further information																														
<b>Transactions</b> <span style="background-color: black; color: black;">XXXXXXXXXX</span> <span style="float: right;">Add</span>																														
<b>Date</b>	<b>Type</b>	<b>Amount</b>	<b>Currency</b>																											
				Edit																										
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				Edit																										
<b>Set All Risk Ratings to the the same value of:-</b> <span style="margin: 0 5px;">Amber</span> <span style="margin: 0 5px;">Blue</span> <span style="margin: 0 5px;">Green</span> <span style="margin: 0 5px;">Indigo</span> <span style="margin: 0 5px;">Red</span>																														
<b>Personal Data</b> <span style="float: right;">Add</span>																														

Surname	Forenames	Date Of Birth	Sex	Key Information	Risk	Adj	
[Redacted]		Redacted - Non-Responsive	M	NONE	Red	Red	Edit
<b>Business Data</b>							Add
Business/Org Name	Company Ref. No.	Legal Jurisdiction	Key Information	Risk	Adj		
Redacted - Non-Responsive				Green	Green	Edit	
Redacted - Non-Responsive				Green	Green	Edit	
FRIENDS OF AL-AQSA		UNITED KINGDOM	NONE	Green	Amber	Edit	
INTERPAL CHILDREN		UNITED KINGDOM	NONE	Green	Green	Edit	
[Redacted]		UNITED KINGDOM	NONE	Green	Amber	Edit	
Redacted - Non-Responsive				Green	Green	Edit	
Redacted - Non-Responsive				Green	Green	Edit	
<b>Telephone Data</b>							Add
Phone No.	Owner	Type	Risk	Adj			
Redacted - Non-Responsive	[Redacted]	Other	Red	Red	Edit		
<b>Address Data</b>							Add
Bldg No. & Name	Street	Town	Postcode	Risk	Adj		
Redacted - Non-Responsive				Red	Red	Edit	
Redacted - Non-Responsive				Red	Red	Edit	
<b>Account Data</b>							Add
Account Name	Account No.	Sortcode	Account Type	Currency	Risk	Adj	
[Redacted]	16-26-21	Credit Card	British Pound	Green	Green	Edit	
[Redacted]	16-26-21	Current (Personal)	British Pound	Green	Green	Edit	
<b>Miscellaneous Data</b>							Add
-None-							
<b>Case Notes</b>							Add
Type	Date	User	Text				
Case notes	07 May 2003	Migrated	2/5 Branch to monitor account reporting to GI&F with any fur			View	
Summary and Assessment	07 May 2003	Migrated	[Redacted] came to the bank attention after querying a switc			View	
Conclusion	07 May 2003	Migrated	On the basis of the information available to us at the prese			View	
<b>Key Correspondence</b>							
Upload Doc Title	Author	User	Date				
Memo to branch	EUROPA\Dobsomj	GK2	02 May 2003	View	Edit		

<b>1. User:</b> Migrated	<b>On:</b> 07 May 2003 00:00	Print	Copy	Delete
<b>Note:</b> 2/5 Branch to monitor account reporting to GI&F with any further concerns. Excel.MD7/5 - Disclosure confirmed. DH				



<b>1. User:</b> Migrated	<b>On:</b> 07 May 2003 00:00	Print	Copy	Delete
<b>Note:</b>				

**1. User:** Migrated

**On:** 07 May 2003 00:00

Print

Copy

Delete

**Note:** On the basis of the information available to us at the present time, it is considered that the above incident / activity may constitute or involve money laundering and consequently a disclosure has been made to the National Criminal Intelligence Service or other appropriate authorities. Please see attached documents for further information concerning the financial disclosure. This information may be of relevance when considering any business approaches or dealings with the above named parties.

# Memorandum



To: Alison Winter

Branch/ Natwest  
Unit: Newcastle upon Tyne 16-26-21

From: Mark Dobson

Date: 2 May, 2003

Group Investigations & Fraud

7<sup>th</sup> Floor  
1 Princes Street  
London  
EC2R 8PB

Telephone: 020 7714 4577  
Facsimile: 020 7714 4549

## Re: Money Laundering Suspicion

Account: [REDACTED] Redacted - Non-Responsive

Group Fraud Ref: 698074

We refer to your/the attached report and advise the following:

- ☒ The decision has been taken to report the matter to the Authorities. The matter must be treated in the strictest confidence and under no circumstances should the account holder be advised of this action.
- ☐ Please update 'Know Your Customer' details and obtain an explanation for the transactions. Should you remain suspicious following your interview with the customer please revert to GI&F with a full explanation of your concerns.
- ☐ Please ensure you review the Bank's 'Know Your Customer' and Due Diligence in respect of this connection. You may wish to consider exiting the relationship unless you are entirely happy with your findings.
- ☐ We consider this connection presents a serious risk to the Group, accordingly it is our view that you should exit the relationship at the earliest opportunity. You may wish to use the attached wording.
- ☒ Please monitor the activity on this account and revert to Group Investigations & Fraud if the activity alters significantly giving further cause for concern.
- ☒ You may continue to operate the account within normal banking practice unless you hear from us to the contrary

Please note it is an offence to advise the customer or any other 3<sup>rd</sup> party of your report to us, that a report has been made to the authorities, or of any subsequent investigation.

Thank you for your assistance

Signed: .....

# Money Laundering Suspicion Report



698074

1. This Report should be used for both account holders and non account holders
2. Please complete all sections below
3. Please write clearly using capital letters with a black pen or use a word processor
4. If a section is not applicable mark N/A. If you are unable to complete a section or provide any items requested, please provide an explanation
5. The report may be returned to the submitter, if not adequately completed. A member of staff will not be discharged from their obligation to report a suspicion until a satisfactorily completed report has been received by Group Investigations & Fraud.

<b>Send by Internal Mail to</b> Group Investigations & Fraud (GI&F) Royal Bank of Scotland Group Regent's House 42 Islington High Street London  <b>Reports without attachments can continue to be e-mailed via the Group intranet to -Group Fraud Money Laundering</b>		<b>For GI&amp;F Use Only</b> <b>Case Report Number</b>  <b>Priority: High / Med / Low</b>	<b>For GI&amp;F Use Only</b> <b>Nature of suspected offence</b> <input type="checkbox"/> Drug trafficking <input type="checkbox"/> Terrorism <input type="checkbox"/> Criminal Justice Act 1988 <input type="checkbox"/> Other (please state)
<b>Submitting Business</b> <input checked="" type="checkbox"/> RBS Retail <input type="checkbox"/> NW Retail <input type="checkbox"/> CB <input type="checkbox"/> Retail Direct <input type="checkbox"/> Other (please state)	<b>Submitting Branch / Submitting Unit Sort Code:</b> 162621 <b>Submitting Branch / Submitting Unit Location:</b> NEWCASTLE UPON TYNE <b>Submitted by (Member of Staff):</b> ALISON WINTER <b>Date:</b> 30.1.03	<b>Direct Contact Number:</b> Internal: 0191 232 1211 External: N/A	
<b>Account Holding Branch/Unit (for N/A for Non Account holder)</b> NEWCASTLE UPON TYNE		<b>Sort Code</b> 162621	
<b>Reason for Suspicion</b> (including outcome of any discussions with customer, and where appropriate, evidence / explanation of the source of funds)  <b>NetWest / CB</b> - Refer to Process Manual 13, Section 22 for guidance - Attach 3 months ledgers prior to and including date of transaction(s) <b>RBS</b> - Refer to Compliance Manual for guidance - Attach 3 months printouts of account history and cursing prior to and including date of transaction(s) <b>Retail Direct</b> - Depending on your business area, please refer to above guidance as appropriate  CUSTOMER RANG RE SWITCH PAYMENT TO 'AL-HUDAYAN, BIRMINGHAM' ON 29.1.03 WHICH TOOK THE ACCOUNT OVERDRAWN. HE SAID HIS RELIGIOUS BELIEFS STOP HIM FROM RECEIVING / PAYING INTEREST! ON LOOKING AT THE PAYEE'S OF S/O'S + DIRECT BANKING PAYMENTS THEY APPEAR TO BE TO BE MUSLIM, ETC. - FROM DOING THE SAFE CUSTODY, TERRORISM RETURNS I THOUGHT HE MAY BE A SYMPATHISER.  If necessary, please continue on a separate sheet of paper and attach to this Report.			
<input type="checkbox"/> Security and Safe Custody held (brief details only) NOTHING HELD <input type="checkbox"/> Boxes and Parcels held		<input type="checkbox"/> Relationship Manager's Name WENDY LILLIE	
<b>Special Signing Instructions - Provide details</b> <input type="checkbox"/> Third Party mandate N/A <input type="checkbox"/> Power of Attorney <input type="checkbox"/> Known Agent <input type="checkbox"/> Other known accounts held (eg Building Society)		<input checked="" type="checkbox"/> Relationship Manager's Contact No 0191 232 1211  <input checked="" type="checkbox"/> Ledgers / interview notes attached <input checked="" type="checkbox"/> Additional paperwork attached (Yes/No) Number of Pages 18	

01/03/03 WS 1251 (12/2002)

Please ensure the reverse page is completed

## Money Laundering Suspicion Report

<p><b>Non-Personal Customers</b> (Include known details of Directors, Signatories, Beneficial Owners in Personal Customers Section opposite). If necessary, please continue on a separate sheet of paper and attach to this Report.</p> <p> <input type="checkbox"/> Company Ltd / Plc (please delete which is not applicable)  <input type="checkbox"/> Sole Trader  <input type="checkbox"/> Partnership  <input type="checkbox"/> Limited Liability Partnership (LLP)  <input type="checkbox"/> Charity  <input type="checkbox"/> Trust  <input type="checkbox"/> Other         </p> <p>Customer Name <u>MA</u></p> <p>Core Business Activity _____</p> <p>Date of Incorporation (if applicable) _____</p> <p>Country of Incorporation (if applicable) _____</p> <p>Registered Number (if applicable) _____</p> <p><input checked="" type="checkbox"/> Please enclose a copy of Account Opening Forms and Identification (and if applicable, Third Party Agent details)</p> <p>Date when Relationship with Bank started: _____</p>	<p><b>Personal Customers</b> (If more than one, please attach details.) If necessary, please continue on a separate sheet of paper and attach to this Report.</p> <p> <input checked="" type="radio"/> Male / <input type="radio"/> Female            Date of Birth: <u>Redacted - Non-Responsive</u>            Or Approx. Age: _____         </p> <p>Surname <u>Redacted</u></p> <p>Forenames <u>Redacted</u></p> <p>Nationality <u>Redacted - Non-Responsive</u></p> <p>Passport Number (if known) <u>Redacted - Non-Responsive</u></p> <p>Occupation <u>Redacted - Non-Responsive</u></p> <p>Employer _____</p> <p>Employer's Address <u>Redacted - Non-Responsive</u></p> <p>Contact number <u>Redacted - Non-Responsive</u></p> <p>National Insurance Number (if known) _____</p>																														
<p>Customer Address _____</p> <p>Customer Additional / Previous Address (dates) <u>Redacted - Non-Responsive</u></p> <p><u>Redacted - Non-Responsive</u></p> <p><u>Redacted - Non-Responsive</u></p>																															
<p>Post Code <u>Redacted - Non-Responsive</u></p> <p>Tel: <u>Redacted - Non-Responsive</u></p> <p>Email: <u>Redacted - Non-Responsive</u></p>																															
<p><b>Customer Accounts</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>A/c Ref</th> <th>Account Number</th> <th>Sort Code</th> <th>Type (e.g. current etc.)</th> <th>Date Opened</th> <th>Currency</th> </tr> </thead> <tbody> <tr> <td>1)</td> <td><u>Redacted - Non-Responsive</u></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2)</td> <td><u>Redacted - Non-Responsive 162621</u></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>3)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>4)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		A/c Ref	Account Number	Sort Code	Type (e.g. current etc.)	Date Opened	Currency	1)	<u>Redacted - Non-Responsive</u>					2)	<u>Redacted - Non-Responsive 162621</u>					3)						4)					
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3)																															
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<p><b>Suspicious Transaction Details</b> - <u>PAYEE'S OF STANDING ORDERS (SEE PRINT OUT)</u></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>A/c Ref</th> <th>Date</th> <th>Amount</th> <th>Transaction (e.g. Cheque)</th> <th>Source / Destination of Funds</th> </tr> </thead> <tbody> <tr> <td>See above</td> <td><u>DPC - PAYEE'S ALSO HAVE</u></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td><u>BY SUSPICIOUS NAMES</u></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		A/c Ref	Date	Amount	Transaction (e.g. Cheque)	Source / Destination of Funds	See above	<u>DPC - PAYEE'S ALSO HAVE</u>					<u>BY SUSPICIOUS NAMES</u>																		
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<p>Attach copies of voucher(s) / payment instruction(s) if readily available Yes / No _____</p>																															
<p>Signed by <u>Alison Winter</u> 537170 Print Name <u>ALISON WINTER</u></p>																															

**NCIS Disclosure for Case 698074 ( Received )**

Close

Print

**Core NCIS details created on 02 May 2003 by EUROPA\Dobsomj  
RBS\Hartida on 07-MAY-03 ]**

**[ Submitted by**

Disclosure Type

Drugs

Submitting Branch Address

Royscot

Disclosure Date

02 May 2003

Newcastle upon  
Tyne

Branch / Outlet

Newcastle upon  
Tyne

Branch Code

16-26-21

Trust Indicator

N

Further Information

N

Postcode

Text

Postcode

**Information for ANDREW SKINNER**

Information Type

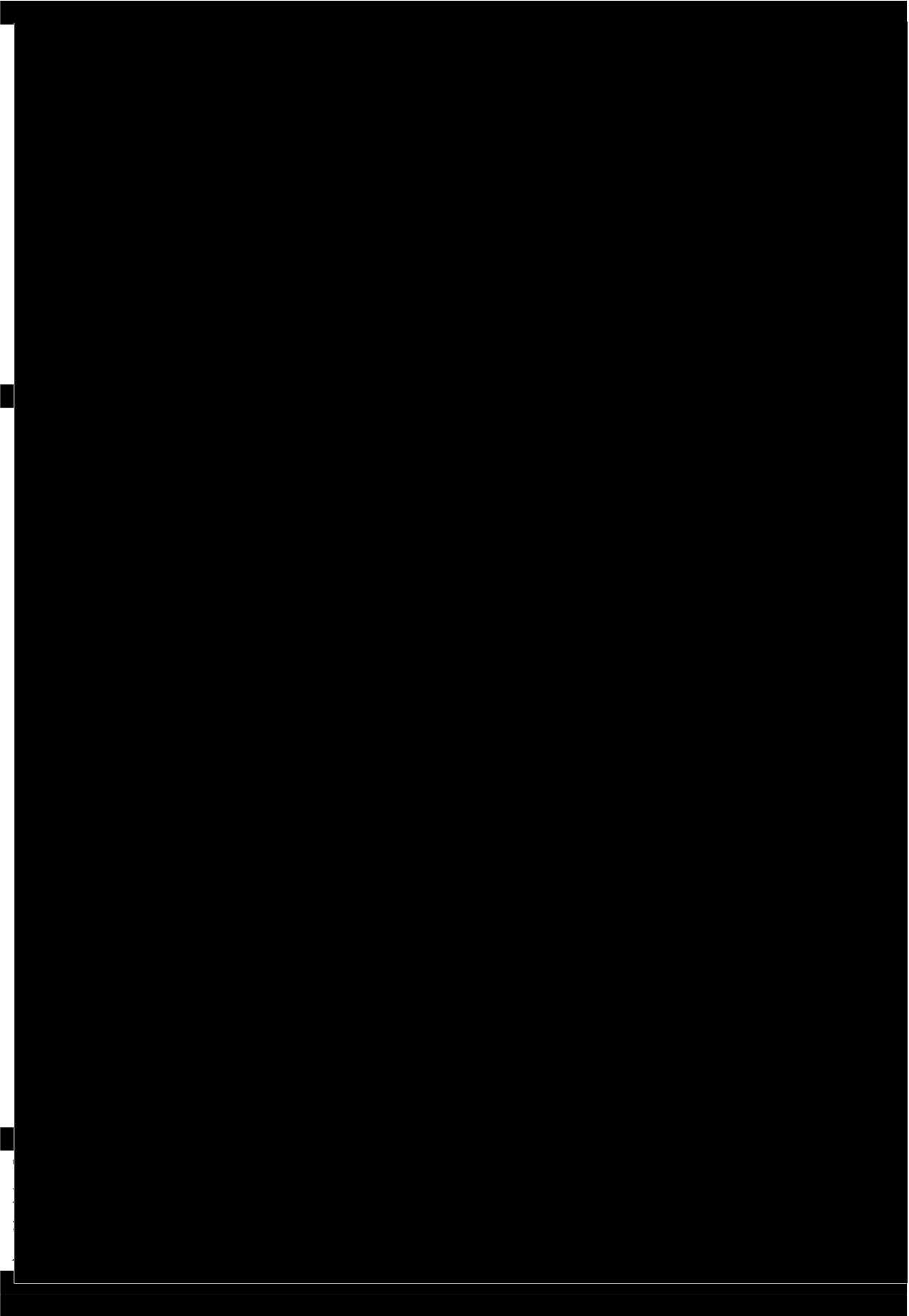
*Redacted - Non-Responsive*

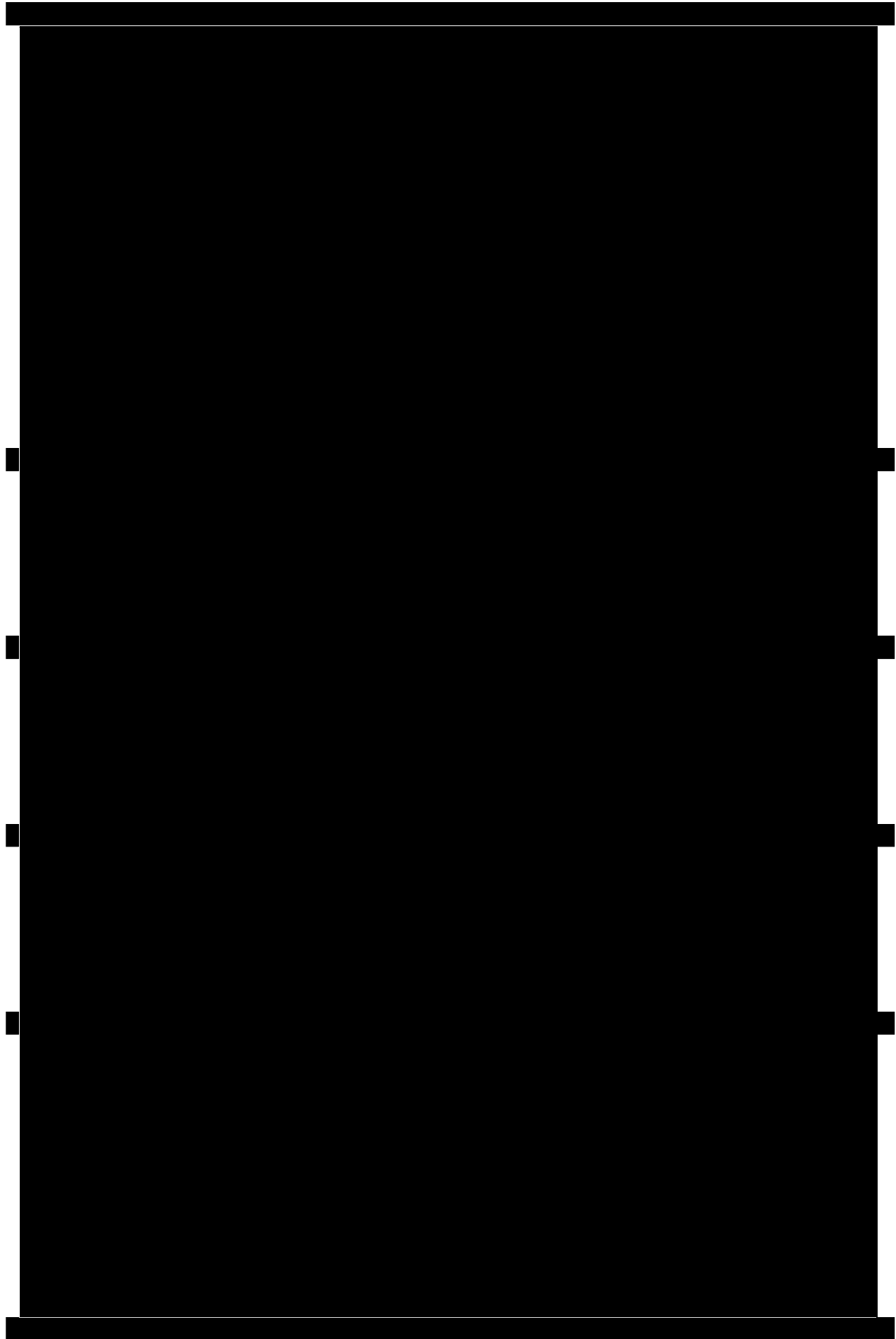
Information  
Detail

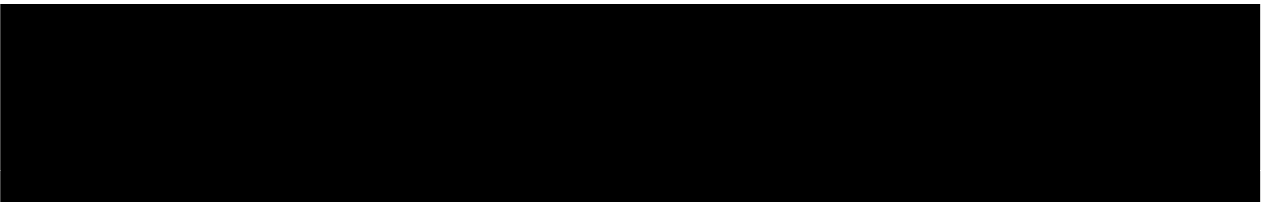
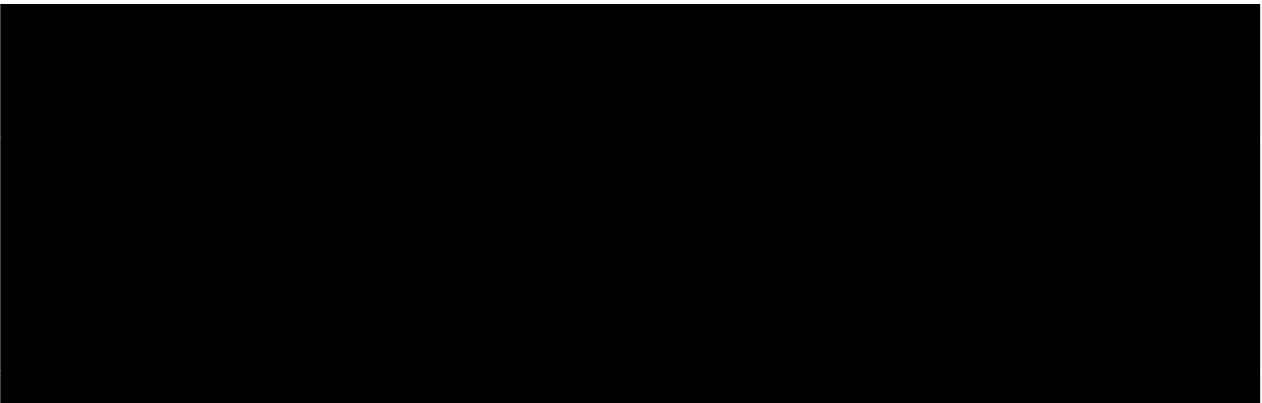
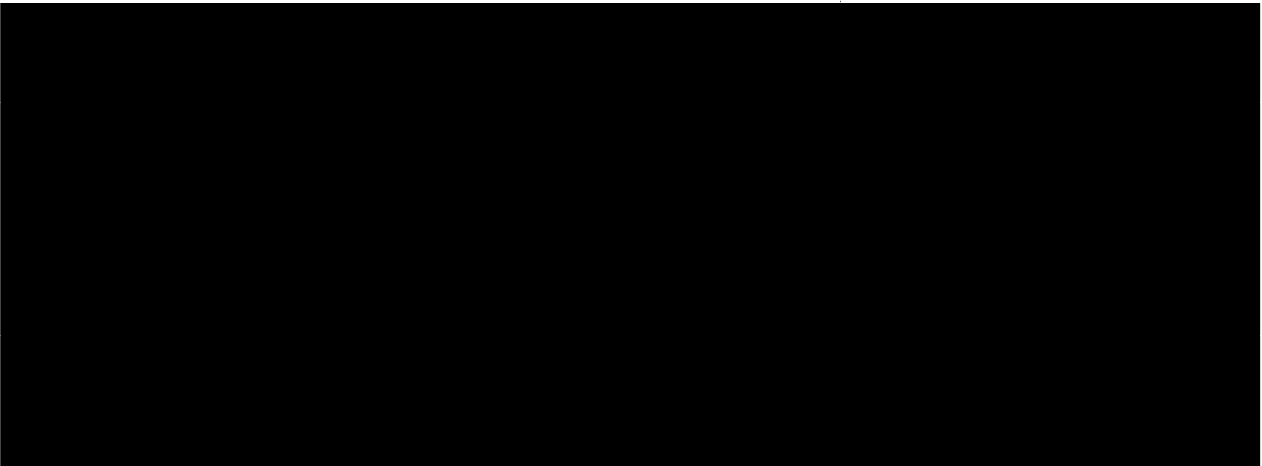
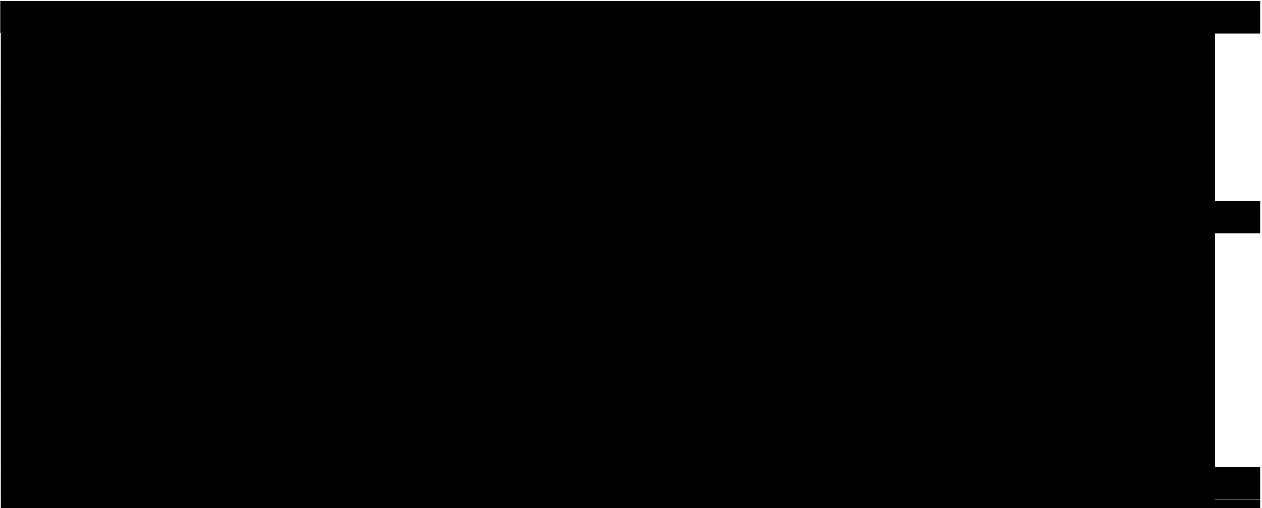
*Redacted - Non-Responsive*



Description







**EXHIBIT 74 to Declaration of Joel Israel**

600822

**Interpal**

PO Box 3333, London, NW6 1RW  
Tel: 020 8450 8002 ~ Fax: 020 8450 8002  
[info@interpal.org](mailto:info@interpal.org) ~ [www.interpal.org](http://www.interpal.org)  
Registered Charity No. 1040094

Dear Terry,

Please transfer the following amounts to the Main Account No: 95142940 as a matter of urgency -

- 1) [REDACTED] from the Zakat Account No: 95142967 ✓
- ~~2)~~ [REDACTED] from the Children Account No: 95142975
- ~~3)~~ [REDACTED] from the [REDACTED] ✓
- 4) [REDACTED] from the Families Account No: 95145397 ✓
- 5) [REDACTED] from the Interest Account No: 95142959

Two signatories shall be signing a copy of this e-mail to be faxed to you @ 01708-733 816.

Thank you for your kind attention, and I should be grateful for confirmation of receipt of this communication.

Best wishes;

Jihad Qundil  
Executive Manager  
INTERPAL  
Helping Palestinians in Need

Transfer Requested by:

J. Qundil (Executive Manager)

Sign:

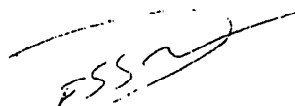


Date:



E. Mustafa (Managing Trustee)

Sign:



Date:



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Any views or opinions contained in this e-mail are those of the author and do not necessarily represent those of INTERPAL.

**EXHIBIT 75 to Declaration of Joel Israel**



## Case Summary



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<b>Legal Process Record</b>																																											
<b>Legal Process Category</b>	Production Order		<b>Enquiry From</b>	Metropolitan Police Services																																							
<b>Source / Enquiry Type</b>	Police		<b>Contact Name</b>	DS Garry Pepe																																							
<b>Legislation Comment</b>	Other		<b>Contact Number</b>	Not Known																																							
<b>Set All Risk Ratings to the the same value of:-</b> <span style="background-color: yellow; border: 1px solid black; padding: 2px;">Amber</span> <span style="background-color: blue; color: white; border: 1px solid black; padding: 2px;">Blue</span> <span style="background-color: green; color: white; border: 1px solid black; padding: 2px;">Green</span> <span style="background-color: indigo; color: white; border: 1px solid black; padding: 2px;">Indigo</span> <span style="background-color: red; color: white; border: 1px solid black; padding: 2px;">Red</span>																																											
<b>Personal Data</b>						Add																																					
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<b>Business Data</b>						Add																																					
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PALESTINIANS DEVELOPMENT FUND INTERPAL		UNITED KINGDOM	NONE	Green	Green	Edit																																					
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				Green	Green																																						

PO BOX NO	LONDON	NW6 1RW	Green	Green	Edit
<b>Account Data</b>					Add
<b>Account Name</b>	<b>Account No.</b>	<b>Sortcode</b>	<b>Account Type</b>	<b>Currency</b>	<b>Risk Adj</b>
PRDF ADM A/C	95142983	60-08-22	Current (Non Personal)	British Pound	Green Amber Edit
PRDF CHILDREN A/C	95142975	60-08-22	Current (Non Personal)	British Pound	Green Amber Edit
PRDF ZAKAT	95142967	60-08-22	Current (Non Personal)	British Pound	Green Green Edit
PRDF MONEY A/C	95142959	60-08-22	Current (Non Personal)	British Pound	Green Amber Edit
PALESTINIANS RELIEF	95142940	60-08-22	Current (Non Personal)	British Pound	Green Amber Edit
PRDF EURO A/C	550-00-08524882	60-08-22	Currency Account	British Pound	Green Green Edit
PRDF US\$ A/C	140-00-04156838	60-08-22	Currency Account	British Pound	Green Green Edit
<b>Miscellaneous Data</b>					Add
-None-					
<b>Case Notes</b>					Add
<b>Type</b>	<b>Date</b>	<b>User</b>	<b>Text</b>		
Summary and Assessment	27 Aug 2003	Migrated	07/07/03 An investigation linked to Production Orders ahead		View
Conclusion	27 Aug 2003	Migrated	A production order or equivalent has been served in respect		View
<b>Key Correspondence</b>					
<b>Upload Doc Title</b>	<b>Author</b>	<b>User</b>	<b>Date</b>		Add
Police Fax	EUROPA\Shielsk	GK2	08 Jul 2003	View	Edit
production order	RBS\Eastonh	GK2	27 Aug 2003	View	Edit
704079_Legal Order Instructions (central collation).doc	UID_OWNER	UID_OWNER	27 Nov 2004	View	Edit
<b>No NCIS Disclosures</b>					
<b>No CIFAS Reports</b>					

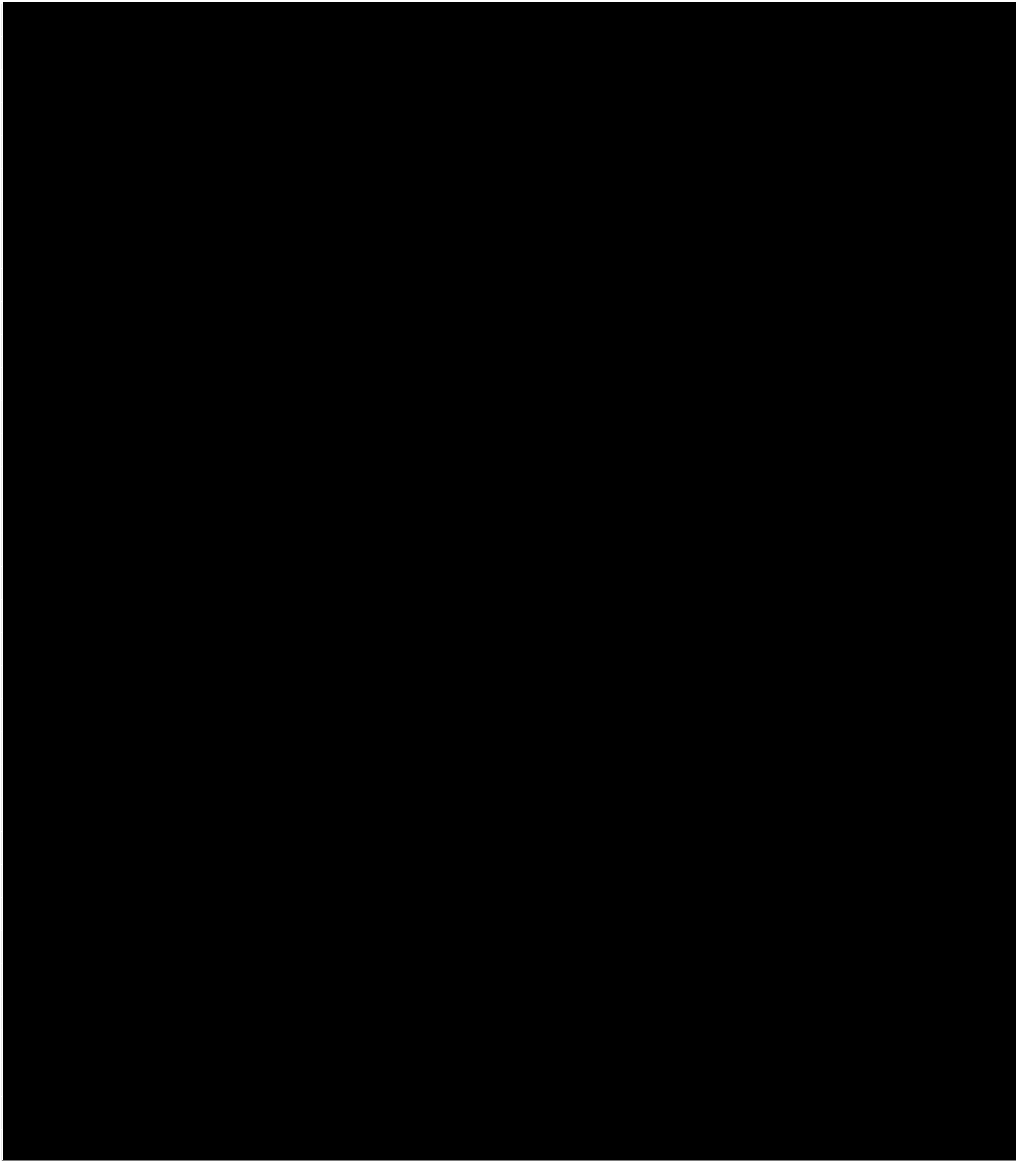
1. **User:** Migrated

**On:** 27 Aug 2003 00:00

Print Copy

**Note:** 07/07/03 An investigation linked to Production Orders already obtained by the Met Police received & handed to me by Emma Peek to take forward. Ok to comply. Have instructed Tim @ Enfield CSC to obtain copy statemenst from 01/01/02 to 07/07/03 on all the above accounts. Paperwork placed in diary for 14/07/03 in order to monitor progress. 15/07/03 Telephoned Tim @ Enfield CSC 09:15, he informs he's waiting for Post-Bic copy statements & expects to receive them on 17/07/03. Therefore have placed paperwork in diary for 18/07/03 in order to monitor progress. K Shiels GI&F.18/07/03 Telephoned Tim 11:45, who informs that the initail requirements of this Court order have been completed. K Shiels GI&F.

<b>1. User:</b> Migrated	<b>On:</b> 27 Aug 2003 00:00	Print	Copy	Save
<b>Note:</b> A production order or equivalent has been served in respect of the party(ies) listed on this record. This information may be of relevance when considering any business approaches or dealings with the above named parties.				



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Page 9



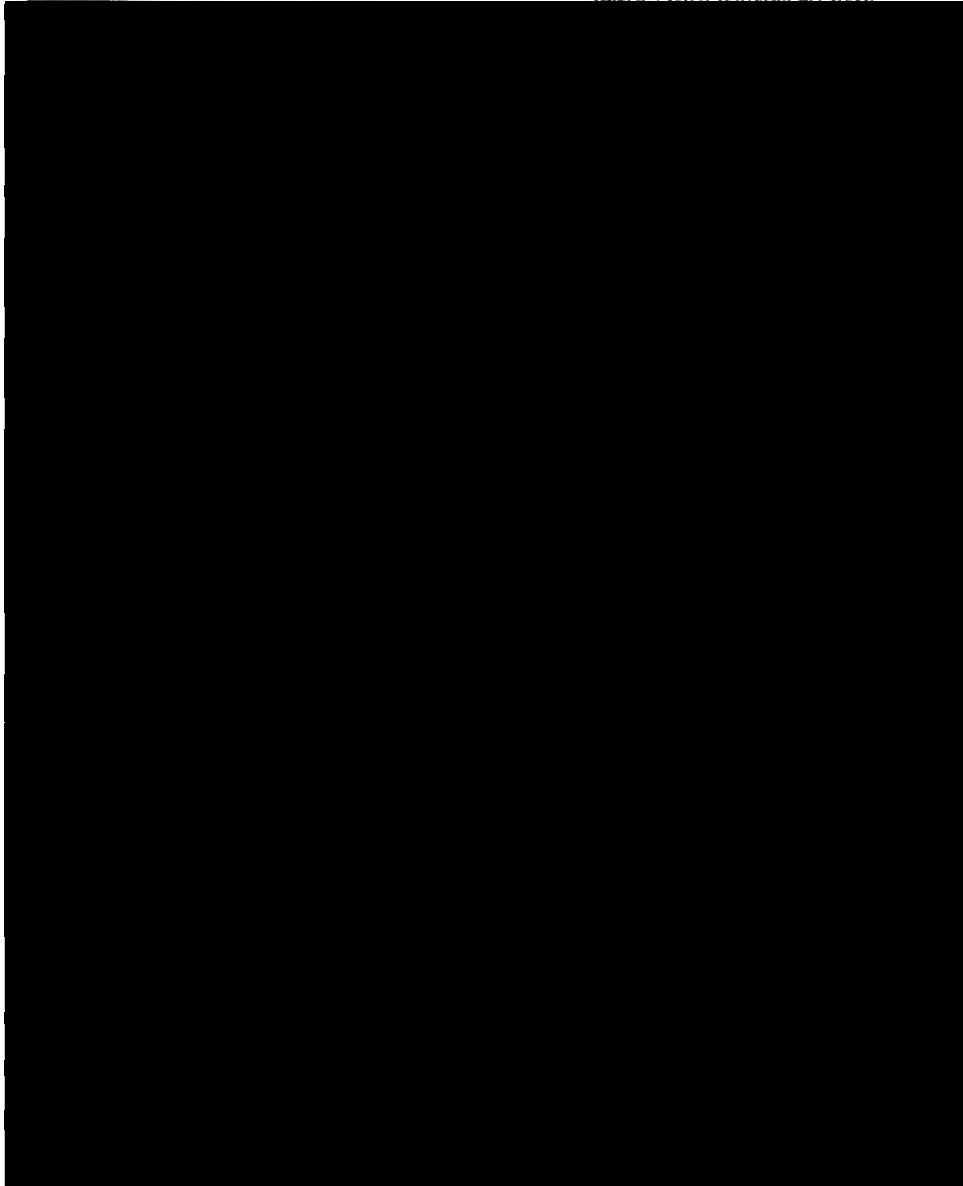
IN THE CROWN COURT

TERRORISM ACT 2000

PC2003/1192  
Form JD1

**PRODUCTION ORDER**

(Sch. 5, Para 5 Terrorism Act 2000)







**FAX MESSAGE (Central Collation)**

**To: Tim Kennelly, Fraud Team, Enfield CSC**  
**Fax No: 020 8344 1249**

**From: Kevin Shields**  
**GI&F Ref: 704079**

**Date: 07/07/03**  
**Pages: 4**

**Group Investigations & Fraud**

Referrals & Due Diligence Team  
7<sup>th</sup> Floor,  
1 Princes Street,  
London,  
EC2R 8PB

Telephone: 020 7714 4578  
Facsimile: 020 7714 4549

**Re: Request for Material Required for a Legal Order**

A Legal Order has been served on the Group and collation of the material required under this Order is being handled centrally by Group Investigations & Fraud (GI&F). Please action this request immediately and supply the material requested below to GI&F within 7.

It is imperative that any difficulties providing the material requested within the above timescales are escalated immediately to your line manager and to Group Investigations & Fraud. **Delays in the provision of information could lead to contempt proceedings being brought against the Group.**

- ❖ Please provide GI&F with the material requested on the specified account(s) up to and including the date of the Order, as outlined below:

Account Name	Account Number & Sort Code	Material Required
Palestinians Development Fund Interpal	95142940 / 600822	Copy statements from 01/01/02 to 07/07/03
//	95142959 / 600822	// // //
// //	95142967 / 600822	// // // //
// //	95142975 / 600822	// // // //
// //	95142983 / 600822	// // //
// //	140/00/004156838	// // //
// //	550/00/08524882	// // //

If you are aware of other accounts not listed above to which any of these parties are connected, please alert GI&F and obtain details in respect of these accounts where material on all accounts is requested.

If any of the material is unavailable please contact GI&F immediately.

**DO NOT under any circumstances advise the customer that a Legal Order has been served. Unauthorised disclosure could constitute a criminal offence. No charges are to be made to the customer in respect of material provided under a Legal Order, this could alert the customer that an Order has been served.**

**Do not put a stop on any accounts unless specifically instructed to do so by Group Investigations & Fraud and do not make any reference in customer notes to the fact that a Legal Order has been served on the account(s) in question.**

Where required to supply original documentation under an Order, ensure that copies are taken and are filed in the appropriate place so that they can be located again if required.

If you receive a Legal Order direct from Law Enforcement please contact GI&F on the above number for advice. If you receive any requests for additional information from Law Enforcement in connection with this

Order, please ask the Officer to contact Group Investigations & Fraud on 020 7714 4570 so the request can be recorded and monitored in line with Group procedures.

**Instructions in connection with this Order :**

- As the material becomes available send the items to the Group Investigations & Fraud (detailing what has been provided).

Please complete and return the Legal Order confirmation slip attached. If you have any queries or problems please call the Referrals and Due Diligence Team on 020 7714 4578 quoting the reference number supplied.

Regards,

**Referrals & Due Diligence Team  
Group Investigations & Fraud**

**GROUP INVESTIGATIONS & FRAUD**

**Legal Order Confirmation**

**To: Referrals & Due Diligence Team**

**Fax: 020 7714 4549 (its 4940 4549)**

**GI&F Reference: 704079**

Please provide GI&F with name and telephone number of the person (and alternate) who we can contact in relation to this request (please fax back to 020 7714 4549):

Name:

\_\_\_\_\_

Signed:

\_\_\_\_\_

Position:

\_\_\_\_\_

Dated:

\_\_\_\_\_

Alternate Name:

\_\_\_\_\_

**EXHIBIT 76 to Declaration of Joel Israel**

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UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK  
Case No. CV-05-4622 (DLI)  
Case No. CV-07-00916 (DLI)

-----x  
TZVI WEISS and others;  
NATAN APPLEBAUM and others,  
Plaintiffs,

vs.

NATIONAL WESTMINSTER BANK PLC,  
Defendant.  
-----x

May 18, 2011  
9:10 a.m.

Videotaped deposition of JONATHAN R.  
HOLLAND, held at the offices of Zuckerman  
Spaeder LLP, 1540 Broadway, New York, New  
York, pursuant to notice, before Cary N.  
Bigelow, RPR, a Notary Public of the State  
of New York.

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A P P E A R A N C E S:

ZUCKERMAN SPAEDER LLP

Attorneys for Plaintiffs

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Washington, D.C. 20036-5807

BY: AITAN D. GOELMAN, ESQ.

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Attorneys for Defendant

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55 Basinghall Street

London EC2V 5EH

BY: JONATHAN I. BLACKMAN, ESQ.

-AND-

CLEARY GOTTlieb STEEN & HAMILTON LLP

2000 Pennsylvania Avenue, N.W.

Washington, D.C. 20006-1801

BY: VALERIE SCHUSTER, ESQ.



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A P P E A R A N C E S:

CLEARY GOTTlieb STEEN & HAMILTON LLP

Attorneys for Defendant

One Liberty Plaza

New York, New York 10006

BY: MARK GRUBE, ESQ.

ALSO PRESENT:

JAMES ROBERTS, Videographer

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IT IS HEREBY STIPULATED AND AGREED, by  
and between the attorneys for the respective  
parties herein, that filing and sealing be  
and the same are hereby waived.

IT IS FURTHER STIPULATED AND AGREED  
that all objections, except as to the form  
of the question, shall be reserved to the  
time of the trial.

IT IS FURTHER STIPULATED AND AGREED  
that the within deposition may be sworn to  
and signed before any officer authorized to  
administer an oath, with the same force and  
effect as if signed and sworn to before the  
Court.

1

2

THE VIDEOGRAPHER: Good morning. We

09:09:38

3

are going on the record. My name is James

09:10:00

4

Roberts of Veritext Reporting with offices

09:10:02

5

in New York City, New York. Today's date is

09:10:04

6

May 18, 2011. The time is approximately

09:10:07

7

9:10 a.m.

09:10:11

8

This deposition is being held in the

09:10:12

9

office of Zuckerman Spaeder located at 1540

09:10:13

10

Broadway, New York City, New York. The

09:10:17

11

caption of the case is Tsvi Weiss, et al.,

09:10:21

12

versus National Westminster Bank PLC in the

09:10:24

13

U.S. District Court, Eastern District of New

09:10:28

14

York. The name of the witness is Jon

09:10:30

15

Holland.

09:10:33

16

At this time the attorneys will

09:10:33

17

identify themselves and the parties they

09:10:35

18

represent.

09:10:36

19

MR. GOELMAN: Aitan Goelman and Semra

09:10:38

20

Mesulam for the Weiss plaintiffs.

09:10:40

21

MR. BLACKMAN: Jonathan Blackman and

09:10:41

22

Valerie Schuster and Mark Grube for the

09:10:46

23

defendant and the witness.

09:10:47

24

THE VIDEOGRAPHER: Our court reporter,

09:10:49

25

Cary Bigelow, also of Veritext, will please

09:10:51

1 J. Holland

2 Q. How would you define your practice area 09:16:02  
3 when you talk about involvement in those cases? 09:16:04

4 A. Well, I'm principally a 09:16:10  
5 banking litigator from the U.K., head of the 09:16:14  
6 financial services litigation practice at Hogan 09:16:15  
7 Lovells, so my practice involves acting entirely 09:16:18  
8 for banks and other financial institutions, but 09:16:21  
9 primarily for banks and other financial 09:16:25  
10 institutions, so it's a range of disputes that 09:16:27  
11 banks and other financial institutions get 09:16:31  
12 themselves involved in, which also encompasses 09:16:34  
13 the subject matter of this deposition. 09:16:36

14 THE COURT REPORTER: Could we go off 09:16:36  
15 the record for just a minute? 09:16:44

16 THE VIDEOGRAPHER: Off the record, 09:16:44  
17 9:17 a.m. 09:16:45

18 (Recess taken.) 09:18:08

19 THE VIDEOGRAPHER: Back on the record, 09:18:08  
20 9:20 a.m. 09:20:00

21 BY MR. GOELMAN: 09:20:03

22 Q. Mr. Holland, can you turn to paragraph 09:20:03  
23 1.6 of Holland Exhibit 1, please. 09:20:05

24 A. Yes. 09:20:07

25 Q. You write there "I am regarded by the 09:20:09

1 J. Holland

2 key directories in the U.K. and internationally 09:20:12

3 as a leading lawyer in the areas of banking 09:20:15

4 litigation and contentious regulatory work." 09:20:19

5 Which directories do you regard as the 09:20:20

6 key directories? 09:20:23

7 A. The directories that I had in mind when 09:20:24

8 I write that paragraph were -- there are two 09:20:26

9 directories in the U.K., one is called Chambers 09:20:28

10 and one is called Legal 500, and there's also 09:20:31

11 Chambers Global directory, and I'm listed in all 09:20:35

12 of those. 09:20:39

13 Q. And you are listed in the categories of 09:20:40

14 banking litigation and contentious regulatory 09:20:41

15 work? 09:20:45

16 A. I'd need to look at the directories to 09:20:46

17 confirm, but for banking litigation, certainly 09:20:47

18 for contentious regulatory work, in one of them, 09:20:50

19 I'm not sure which, and I'm not sure how Chambers 09:20:54

20 Global is divided up, so it may just have a 09:20:57

21 commercial litigation or a banking litigation 09:21:01

22 slot, I can't remember which. 09:21:03

23 Q. Are you listed as a leading lawyer in 09:21:04

24 any directories in the area of terrorism finance 09:21:07

25 or sanctions? 09:21:13

1 J. Holland

2 MR. BLACKMAN: Object to the form of 09:21:15

3 the question, lack of foundation. 09:21:17

4 You can answer. 09:21:18

5 A. I'm not sure the directories cut the 09:21:20

6 cake in that way, but not that I -- not that I 09:21:24

7 know of, no. 09:21:27

8 Q. So you don't know whether or not there 09:21:28

9 are categories for terrorism finance lawyers or 09:21:30

10 lawyers specializing in sanctions? 09:21:34

11 A. That's exactly right. 09:21:36

12 Q. You write here that you are regularly 09:21:39

13 invited to speak at conferences on issues related 09:21:39

14 to my practice area, including anti-terrorist 09:21:45

15 financing, anti-money laundering and financial 09:21:45

16 sanctions. 09:21:45

17 Do you see that? 09:21:49

18 A. Yes, I do. 09:21:50

19 Q. Focusing on anti-terrorist financing, 09:21:50

20 can you tell me which conferences you were 09:21:53

21 invited to speak about that subject at? 09:21:55

22 A. I couldn't give you a list of all of 09:22:05

23 them, but the one that I've spoken at most 09:22:07

24 recently was a combination of looking at 09:22:09

25 sanctions and terrorist financing, which was -- 09:22:10

1 J. Holland

2 I'm trying to remember the name of the 09:22:16  
3 organizers, it's an American conference -- the 09:22:17  
4 American Conference Institute, does that make 09:22:20  
5 sense? 09:22:23

6 Q. ACI? 09:22:23

7 A. I think it was them, but I'd need to go 09:22:26  
8 back and check. 09:22:29

9 Q. And when was that? 09:22:29

10 A. I would have said that was within the 09:22:31  
11 last two years, it's probably 18 months ago in 09:22:34  
12 London. 09:22:38

13 Q. And did you have a title to your speech 09:22:38  
14 or lecture? 09:22:43

15 A. I will have done and I will have tried 09:22:46  
16 to make it catchy, but I can't remember what it 09:22:48  
17 was. 09:22:52

18 Q. Okay. 09:22:52

19 Can you give me an estimate about how 09:22:52  
20 many speaking engagements you have participated 09:22:54  
21 in where antiterrorist financing law was the 09:22:56  
22 subject or a part of the subject of your 09:23:02  
23 presentation? 09:23:04

24 A. Maybe two or three, but I can't give 09:23:09  
25 you a precise figure. 09:23:11

1 J. Holland

2 Q. Is it your practice when you speak at 09:23:13  
3 these conferences to prepare a PowerPoint or some 09:23:16  
4 other kind of audiovisual presentation? 09:23:20

5 A. Yes, typically. 09:23:25

6 Q. And would you retain copies of that 09:23:27  
7 presentation in your files? 09:23:29

8 A. Yes, I would. 09:23:30

9 Q. So you think that if you -- you think 09:23:31  
10 you have in your files copies of any PowerPoints 09:23:35  
11 or other materials that you prepared in 09:23:39  
12 anticipation of speeches about antiterrorist 09:23:42  
13 financing laws? 09:23:45

14 A. Yes, I would. Typically I would 09:23:47  
15 have -- so the way that I would typically prepare 09:23:55  
16 for a conference would be I would make manuscript 09:23:57  
17 notes on the slide deck that I was going to use, 09:24:02  
18 so I don't have a script because I don't like to 09:24:05  
19 work that way, so typically I'd have the 09:24:06  
20 PowerPoint slides and then notes just to remind 09:24:09  
21 me of the points that I want to make in relation 09:24:12  
22 to that. 09:24:14

23 Q. Okay. 09:24:14

24 A. Generally speaking, the subject matter 09:24:14  
25 of the conferences has been sanctions, which of 09:24:16



1 J. Holland

2 course has an intersection with terrorist 09:24:21

3 financing, it's a subset. 09:24:24

4 Q. But would terrorist financing, apart 09:24:26

5 from sanctions, be part of what you talked about 09:24:29

6 at those conferences? 09:24:31

7 A. I'm not sure I understand that 09:24:35

8 question. 09:24:36

9 Would you mind rephrasing it? Sorry. 09:24:37

10 Q. Sure. And you should tell me when you 09:24:41

11 don't understand a question. 09:24:42

12 In 1.6, you say that you are regularly 09:24:43

13 invited to speak at conferences on issues related 09:24:46

14 to my practice area including anti-terrorist 09:24:46

15 financing, anti-money laundering, and financial 09:24:51

16 sanctions. 09:24:51

17 Do you see that? 09:24:52

18 A. Yes. 09:24:53

19 Q. And so the "and" implies that those are 09:24:53

20 three separate subareas; correct? 09:24:56

21 A. Well, sorry, I wasn't writing it as a 09:24:59

22 statute, so when I say I'm invited to speak at 09:25:02

23 conferences on issues relating to my practice 09:25:05

24 area, I'm often invited to speak at conferences 09:25:07

25 and in the last -- I would say in the last three 09:25:12

1 J. Holland

2 to four years sanctions has been a topic that's 09:25:16

3 attracted a lot of attention and so I have been 09:25:21

4 asked to speak on sanctions, both U.K. sanctions 09:25:26

5 and the intersection between U.K.-E.U. sanctions 09:25:29

6 and U.S. sanctions, which is something I have 09:25:34

7 some familiarity with, and when you're talking on 09:25:37

8 that topic it's sometimes appropriate, often 09:25:40

9 appropriate to deal also with the area of 09:25:44

10 terrorist financing because typically that's a 09:25:47

11 subset of the sanctions regime. 09:25:50

12 Q. Okay. 09:25:52

13 A. So I'm not sure I've answered the 09:25:53

14 question, but I -- 09:25:55

15 Q. In your report at some point, and I can 09:25:56

16 find the exact location at a break if you don't 09:26:00

17 remember this off the top of your head, but you 09:26:04

18 write about sanctions and terrorist financing 09:26:07

19 being related but also having the terrorist 09:26:10

20 financing -- anti-terrorist financing law having 09:26:14

21 separate obligations -- 09:26:17

22 A. That's right. 09:26:18

23 Q. -- imposed on a financial institution; 09:26:19

24 correct? 09:26:21

25 A. Yes. 09:26:21

1 J. Holland

2 Q. Have you spoken about those separate 09:26:22

3 terrorist -- anti-terrorist financing obligations 09:26:26

4 the financial institutions are tasked with? 09:26:31

5 A. As a topic in their own right? 09:26:34

6 Q. At any of these -- yeah, at any of the 09:26:37

7 conferences that you allude to in 1.6. 09:26:40

8 A. I can't recall. 09:26:45

9 Q. In 1.5 you say "I am the author of 09:26:48  
10 various articles relating to anti-terrorist 09:26:51  
11 financing, anti-money laundering and financial 09:26:53  
12 sanctions." 09:26:57

13 Do you see that? 09:26:58

14 A. Yes, I do. 09:26:59

15 Q. And then "published articles in this 09:27:00  
16 area in the past 10 years are," and you have A 09:27:02  
17 through G? 09:27:05

18 A. Yes. 09:27:05

19 Q. Are those all of the published articles 09:27:06  
20 on those topics that you have written in the past 09:27:08  
21 10 years? 09:27:11

22 A. I believe they are. 09:27:11

23 Q. And can you identify which of them you 09:27:12

24 believe relate to anti-terrorist financing? 09:27:15

25 A. Not without going back and reading each 09:27:20

1 J. Holland

2 of them, no. 09:27:22

3 Q. Okay. 09:27:23

4 A. Have you been provided with copies of 09:27:24

5 those? 09:27:27

6 Q. Yes. 09:27:27

7 A. Okay. 09:27:28

8 Q. From memory, looking at the titles of 09:27:29

9 these articles, you can't tell me which of them 09:27:32

10 you believe deal with anti-terrorist financing? 09:27:34

11 A. As a specific topic? 09:27:37

12 Q. Or just talk about anti-terrorist 09:27:39

13 financing in any way. 09:27:42

14 A. From memory, no. 09:27:43

15 Q. Have you ever undergone any formal or 09:27:48

16 informal training about anti-terrorist finance 09:27:53

17 law? 09:27:59

18 MR. BLACKMAN: Object to form. 09:28:01

19 You can answer. 09:28:03

20 A. You mean -- well, sorry, do you mean 09:28:08

21 training by an external third party or -- 09:28:12

22 Q. Well, let's start with that, yeah. 09:28:16

23 A. So have I ever attended a course, for 09:28:20

24 example, on anti-terrorist financing law? 09:28:24

25 Q. Right. 09:28:26

1 J. Holland

2 A. No. 09:28:27

3 Q. A course or a CLE or anything like 09:28:28

4 that? 09:28:30

5 A. No. 09:28:32

6 Q. What about -- you defined that as 09:28:34

7 external third party. 09:28:38

8 What about internal training? 09:28:39

9 A. No. 09:28:42

10 Q. Do you have any work experience dealing 09:28:43  
11 with the subject of anti-terror financing? 09:28:52

12 A. Yes. 09:28:56

13 Q. And can you describe what that is? 09:28:58

14 A. In general terms, yes. 09:28:59

15 So I have advised a number of clients 09:29:02

16 on their obligations under the U.K. anti- 09:29:06

17 terrorist financing regime on -- well, on all 09:29:09

18 sorts of aspects relating to that. 09:29:15

19 Q. And those clients have generally been 09:29:17  
20 financial institutions? 09:29:19

21 A. Yes, they have. 09:29:19

22 Q. Have you, without telling me the names 09:29:21

23 of any clients, have you had a client that you've 09:29:24

24 advised about anti-terrorism financing law that 09:29:28

25 is not a financial institution? 09:29:33

1 J. Holland

2 So just so we're clear, we're in a 16:49:33  
3 different time frame from the Lander report, 16:49:35  
4 okay, from the SARs review, so -- 16:49:37

5 Q. This is between 2001 and 2003 in 16:49:38  
6 paragraph 3.59? 16:49:42

7 A. Exactly. And I don't know, I can't 16:49:44  
8 remember, but I suspect that -- well, I won't 16:49:46  
9 speculate about the Lander review, but I 16:49:51  
10 mentioned just now the KPMG review that was 16:49:56  
11 carried out in 2003, and one of the prompts -- 16:50:02  
12 yeah, in July 2003, one of the prompts for that 16:50:09  
13 was a concern that SARs were, from the point of 16:50:12  
14 view of those submitting them, disappearing into 16:50:23  
15 a black hole, so -- and again, just for context, 16:50:27  
16 this is before the introduction of the consent 16:50:30  
17 regime in POCA. 16:50:32

18 I am just looking at the text. 16:50:34

19 When did POCA come into force? 16:50:35

20 Q. 2002. 16:50:40

21 A. It was passed in 2002, but I think it 16:50:42  
22 came into effect later. 16:50:44

23 Yeah, it came into force on the 24th of 16:50:53  
24 February 2003, so once the consent regime was 16:50:56  
25 introduced, this problem was ameliorated to some 16:50:59

1 J. Holland

2 extent. 16:51:02

3 In the period -- that is addressed in 16:51:03

4 this paragraph, September 2001 and through to 16:51:05

5 August 2003, maybe not so much in the latter part 16:51:08

6 of the period, and certainly in the period 16:51:12

7 leading up to that, to a large extent, and in 16:51:16

8 particular after the rise in reports as a result 16:51:20

9 of the introduction of the objective test, SARs 16:51:21

10 were perceived by the people submitting them to 16:51:25

11 be disappearing into a black hole, so you would 16:51:28

12 file a SAR and you'd hear nothing back from the 16:51:32

13 police, you would get no response, you would have 16:51:35

14 no idea whether the SAR was interesting, not 16:51:40

15 interesting, had led to an investigation, had not 16:51:44

16 led to an investigation, simply no feedback at 16:51:45

17 all, and that was one of the reasons, from 16:51:47

18 memory -- we're now going back to the KPMG 16:51:49

19 report -- that KPMG were asked to examine the 16:51:51

20 reporting regime, and one of the conclusions -- 16:51:58

21 again, entirely from memory, but you've probably 16:52:00

22 been, I assume you've been provided with a copy 16:52:01

23 of the report, so you can check this, but one of 16:52:03

24 the conclusions that was shocking at the time was 16:52:06

25 that a very large number -- tens of thousand, 16:52:10

1 J. Holland

2 from memory -- of reports had simply been stored 16:52:13  
3 or backed up somewhere on a database by NCIS, not 16:52:18  
4 looked at and not disseminated to law enforcement, 16:52:23  
5 so not only was there no feedback coming back to 16:52:27  
6 the reporting sector from law enforcement, but in 16:52:32  
7 fact, once KPMG lifted the bonnet, as we would 16:52:36  
8 say, hood in your case, and looked underneath 16:52:40  
9 they discovered the reports were not being acted 16:52:44  
10 on because they were not being passed to law 16:52:46  
11 enforcement for any action to be taken, so that's 16:52:49  
12 the underpinning for that parenthetical in that 16:52:52  
13 paragraph. 16:52:55

14 Q. Was the KPMG report you just described 16:52:55  
15 the same report that found that for SARs that 16:52:58  
16 were not explicitly requested to be fast tracked, 16:53:01  
17 there was a 10-month lag between the time they 16:53:05  
18 went to NCIS and the time they were distributed 16:53:07  
19 to the relevant law enforcement agency? 16:53:10

20 A. It may have been. I can't recall 16:53:12  
21 whether it was that report or the Lander report, 16:53:14  
22 but it may have been. 16:53:16

23 Q. But you do recall there being a 16:53:17  
24 10-month lag? 16:53:19

25 A. I recall something along those lines, 16:53:20



1 J. Holland

2 yeah, which, you know, if you think about it, is 16:53:22

3 absurd in the context of a system that is 16:53:25

4 intended to alert law enforcement to knowledge or 16:53:27

5 suspicion of criminal activity. What is the 16:53:32

6 point of law enforcement getting hold of 16:53:36

7 intelligence that's 10 months out of date? Hence 16:53:38

8 why the regime was being criticized at the time. 16:53:42

9 Q. Certainly it does not inspire 16:53:44

10 confidence that the law enforcement agencies in 16:53:46

11 charge of evaluating this intelligence were 16:53:50

12 making use of it, true, making effective use of 16:53:54

13 it? 16:53:56

14 A. Well, I think the conclusion in the 16:53:57

15 KPMG report was that -- was that, generally 16:53:59

16 speaking, in the case of a very substantial 16:54:07

17 number of aliases were made of them, effective or 16:54:11

18 otherwise. 16:54:12

19 Q. When you talk about consistent with 16:54:13

20 your experience, earlier you testified that you 16:54:14

21 had been involved in the preparation or advising 16:54:17

22 on the filing of somewhere between 10 and 20 16:54:22

23 SARs; is that right? 16:54:25

24 A. Yes. 16:54:26

25 Q. Did you -- did your clients or -- 16:54:31

**EXHIBIT 77 to Declaration of Joel Israel**

**GROUP FINANCIAL CRIME: PROCEDURES MANUAL**  
**Money Laundering Reporting**

**Group Financial Crime - Money Laundering Reporting Team**

- i) **Basic Money Laundering Awareness and Background**
- ii) **Money Laundering Suspicion Reporting & Case Handling Process**
- iii) **Money Laundering Disclosure Checking**
- iv) **Money Laundering High Profile Report**
- v) **Money Laundering Cases: Top Ten Must Do's**
- vi) **Proceeds of Crime Act – Consent**

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## **GROUP FINANCIAL CRIME: PROCEDURES MANUAL**

### **Money Laundering Reporting**

#### **i) Basic Money Laundering Awareness**

##### **What is Money laundering?**

It is the process by which criminals attempt to conceal the true origin and ownership of the proceeds of their criminal activities. If undertaken successfully, it also allows them to maintain control over those proceeds and, ultimately, to provide a legitimate cover for their source of income.

##### **Criminal activity**

Contrary to popular belief this is not just drug trafficking - criminal activity includes; terrorism, fraud, theft, extortion, blackmail, counterfeiting and illegal deposit taking.

##### **How does Money Laundering work?**

There are 3 stages to money laundering;

**Placement:** The physical movement of the initial proceeds "cash" in order to get the money into the banking system. Not always as easy as it seems especially where the criminal has huge sums to dispose of. US Customs have, in the past, uncovered an entire warehouse full of rotting US \$ which the criminals had been unable to "place" into the banking system. Cash deposits may be made in small amounts of only a few hundred pounds or they may be made in large single deposits. Often this surplus cash will be paid in along side the cash takings of a legitimate business. The surplus cash may then be paid away under the guise of a payment to an entity that has invested in the business or perhaps to a beneficiary who appears to be a trade debtor.

**Layering:** Moving the money around, creating a complex web of transactions in order to disguise the original source of the funds. Layering may involve only a few transactions but professional money laundering may involve dozens of transactions, often through overseas bank accounts, that make it difficult to follow the audit trail. Movements of funds for the purpose of layering will not have a genuine underlying transaction, although it may appear there is a transaction with invoices being raised etc. These transactions often involve substantial sums of money.

**Integration:** The mechanism by which criminals try to make their wealth appear to have been earned legitimately. The criminal, who lives in a large house, owns a yacht and a Ferrari does not pay for all these in cash (well not often!). Usually there is a seemingly legitimate business from which the individual's earnings appear to have been derived. It is for this reason that criminals are often associated with businesses with a high cash turnover such as casinos, Bars and Clubs. Less glamorous but for the same reasons are taxi firms, launderettes and takeaway restaurants.

These stages are often not as distinct as the above descriptions may make them appear. You are not expected or required to identify which stage of money laundering may be taking place. Neither are you expected to know, or find out, what criminal activity the monies might have been derived from.

##### **What does the Law require?**

As private individuals it is an offence for any person to provide assistance to a criminal to obtain, conceal, retain or invest funds if that person knows, should have known, or suspected were the proceeds of crime.

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## **GROUP FINANCIAL CRIME: PROCEDURES MANUAL**

### **Money Laundering Reporting**

In addition to the above, persons or firms operating within the financial sector (you and the bank) have additional requirements imposed upon them which include;

- "Know your customers " (KYC)
- Record keeping , including ongoing
- Recognition of suspicious transactions and reporting procedures
- Education and training of employees

KYC requires that verification of identity and address is obtained for all new customers both personal and non-personal. The bank must know whom or what it is doing business with. Not only is this important for law enforcement to know as part of any subsequent investigation but is also important to the bank for marketing, credit control and fraud prevention purposes.

Ongoing KYC is having an understanding of what your customer does and the expected activity/type of transactions that are going to pass through their account(s). This information should be kept up to date as appropriate and when opportunities arise.

**KYC is therefore vital to the bank since without this information it is almost impossible to identify suspicious or unusual transactions.**

All suspicious transactions must be reported to the bank's Money Laundering Reporting Officer. The Suspicion Reporting team within GI&F fulfil this role for the reporting of such suspicions to the National Criminal Intelligence Service (NCIS). Disclosures made to NCIS are a statutory obligation and as such the legislation protects the bank from claims in respect of any alleged breach of customer confidentiality. This statutory protection will only cover disclosures that have been made in good faith and without negligence. It is therefore important that the Suspicion Reporting team properly investigate all reports prior to submitting a disclosure.

### **High Risk Customers**

Effective KYC at the outset of a relationship enables the early identification of high-risk customers such as:

- Bureaux De Change
- Cheque encashment agencies
- Casinos, Clubs, Bars
- Investment or deposit taking activities
- Sales of arms/munitions
- Timeshare or overseas property companies
- Residents of less developed/stable countries
- Politicians/civil servants/government officials/senior military personnel from overseas
- Those known to have accounts in offshore tax havens
- Those who have irregular sources of income, especially if originating from overseas
- Those who originate from countries known to be subject to UN sanctions i.e. Iraq, Yugoslavia

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## **GROUP FINANCIAL CRIME: PROCEDURES MANUAL**

### **Money Laundering Reporting**

#### **What is a suspicious transaction?**

Any transaction which is inconsistent with the expected activity through the account, based on the bank's knowledge of its customer (KYC). That is not to say that there may not be a perfectly reasonable explanation for say a larger than average credit to an account, i.e. sale of a house, redundancy payment. Clearly it would not be appropriate to report either of these - OR WOULD IT?. From the bank's knowledge of its customer the sale of a property for say £1.5m might be considered unusual for someone who is a nurse working in a National Health hospital.

#### **How can you identify suspicious transactions?**

Be alert to:

- Large and/or frequent cash transactions, especially those involving Scottish or Irish notes. In the case of large encashments consider - where did the money come from?.
- Cash exchange transactions, especially those involving withdrawn note issues or damaged/mutilated notes.
- Large international payments, in or out, especially through personal accounts. Beware of customers who readily admit to putting business transactions through a personal account to avoid charges. It is easier for them to admit to that than money laundering!.
- Monies which are received to an account and paid away again almost immediately.
- Customers who are reluctant or refuse to explain the background to a transaction.
- The account holder may explain an unusual or apparently pointless transactions as "for tax reasons" - it is easier to explain something as a little tax problem than a little money laundering problem. Remember tax evasion is a crime.

Consider whether the activity is consistent with what you would expect to see for the customer...

- Would you expect a bank manager to be paying in large sums of cash?
- How many 16 year olds have a BMW car to sell?
- Is it usual for a businessman to keep £199,000 in £20 notes at home as a float for their conservatory installation business?
- Is it likely that a Limited Company, which only started trading 3 weeks ago, and trades from the Directors home, will have a turnover of £5m per week?
- Why would a parent place £50,000 into a first reserve account which their 14 year old child opened only a few weeks ago?

Companies are often used as a front to move large sums of money and/or at the integration stage of the money laundering process. Consider the following...

- Companies (or individuals) whose fortunes have suddenly changed for the better, a sudden injection of cash by an unknown investor perhaps.
- Companies (or individuals) who maintain accounts with several different banks, frequently moving monies between them. This may be cross firing, explained as inter company loans or merely an attempt to secure the best interest rates. On the other hand...
- Companies registered outside the UK (often in exotic locations such as Bahamas, Grand Cayman etc), yet the business operates in a different country. If the place of business is outside the UK why do they require a UK based bank account.

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## **GROUP FINANCIAL CRIME: PROCEDURES MANUAL**

### **Money Laundering Reporting**

#### **How can you meet your obligations under the money laundering legislation?**

Working within GFC branches/units often telephone for guidance as to how to deal with unusual or suspicious transactions/requests. In addition to being alert to the possibilities of fraud please consider money laundering.

If information regarding the account activity is sparse ask the branch/unit to clarify the background to the underlying transaction with the customer. If appropriate ask the branch/unit to ensure that the bank's KYC is up to date.

*The customer should not be told that the bank is suspicious or that the matter has, or might be, reported internally or externally as this might constitute "tipping off." Nonetheless if challenged the customer can be advised that the bank is obliged to understand the nature of transactions passing through its books.*

If a satisfactory explanation cannot be obtained or is refused by the customer then report your suspicions to Suspicion Reporting team within GFC.

**Failure to comply with the bank's internal instructions in relation to reporting suspicions of money laundering constitutes gross misconduct.**

**Failure to comply with the law in respect of reporting suspicions of money laundering renders you liable to 5 years imprisonment**

#### **Background**

To adhere to the 1993 Money Laundering Regulations the bank must have internal arrangements in place for their staff to report suspicions of money laundering. It is a criminal offence if staff fail to report when they know or suspect that a customer may be laundering the proceeds of criminal conduct. Staff discharge their legal obligation by so reporting.

Suspicious transactions can be identified in two main ways:

- By staff from their general dealings with customers; for example in branches, on the telephone, in Service Centres.
- From the bank's Automated Profiling System (Searchspace). The system identifies activity considered to be outside the norm for each account, and generates an 'Alert' for investigation. These alerts are initially reviewed by the **Money Laundering Detection Unit**.

Within the Royal Bank of Scotland, most Group businesses within the UK submit Suspicion Reports to the Money Laundering Team within Group Investigations and Fraud. Suspicions of Money Laundering are reported on form 1391 (NatWest) or 04783 (RBS). Alternatively, some businesses can e-mail reports to general e-mail address ~ **Group Fraud, Money Laundering**.

When received, it is the responsibility of the Money Laundering Reporting Team to decide whether the activity identified should be reported (i.e. 'disclosed') to the authorities. These disclosures are sent to the National Criminal Intelligence Service (NCIS).

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**GROUP FINANCIAL CRIME: PROCEDURES MANUAL**  
**Money Laundering Reporting**

<b>ii) Money Laundering Suspicion Reporting &amp; Case Handling Process</b>	
<b>1.</b>	When a Suspicion Report is received, search Goalkeeper with details of the account holder(s) to establish whether any previous cases have been keyed. If there are existing records these may have a bearing on how the latest case is dealt with.
<b>2.</b>	<p>Key a new case to Goalkeeper as follows (referring to the 'Top Ten Must Do's' document, as this provides the framework for keying a case):</p> <p><b>Control Authority:</b> Select the relevant business area from the drop-down list.</p> <p><b>Record Type:</b> Select 'Money Laundering Suspicion'.</p> <p><b>High Profile:</b> Certain types of case are defined as High Profile – refer to the High Profile Case Definition document. If High Profile criteria are met, select 'Yes'.</p> <p><b>Link</b> the new case to any existing cases where the same customer is the main subject.</p> <p><b>Submitting Unit:</b> Key unit name and sort code, or select from the drop-down list if appropriate. Enter name and phone number of the submitting member of staff.</p> <p><b>Legislation:</b> Select relevant Act from the drop down list :-  CJA – Criminal Justice Act 1988  DTA – Drug Trafficking Act 1994  POT – Terrorism Act 2000</p> <p><b>Estimated Amount Laundered</b> – Calculate the total of the transactions that are under suspicion. In certain cases this may be the overall turnover for an account, for example where VAT fraud is suspected. <b>N.B.</b> If we have disclosed previously, ensure the figure quoted only covers the period since the previous disclosure</p> <p><b>Reasons for Suspicion:</b> Select those appropriate to the case. There may be more than one.</p> <p><b>Key Information Details</b> (names; addresses; telephone numbers; account details): Enter <b>full</b> details of the account holders. If a business name, ensure details of main directors/proprietors are included. Add other related names that are pertinent to the case and may also be under suspicion, for example names of individuals/companies that have remitted funds to or received funds from the account holder(s). Select appropriate Risk Rated colours (see Goalkeeper User guide).</p> <p><b>Transactions:</b> Enter details of the transactions relevant to the case. Do not key <b>all</b> transactions if there are numerous – e.g. for VAT fraud cases a maximum of six (three Chaps debits, three credits) may suffice.</p> <p>Before proceeding further, you need to consider what action to take in connection with the Suspicion Report. Either –</p> <ul style="list-style-type: none"> <li>- There is enough information and sufficient concern to merit an immediate disclosure.</li> <li>- There is insufficient concern to justify a disclosure.</li> <li>- Further information is required before a decision can be made.</li> </ul>

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**GROUP FINANCIAL CRIME: PROCEDURES MANUAL**  
**Money Laundering Reporting**

	<p>A number of factors may have a bearing, for example:</p> <ul style="list-style-type: none"> <li>- Are there any existing Goalkeeper records for this customer?</li> <li>- Has a disclosure (or disclosures) been submitted previously?</li> <li>- Does a Relationship Manager look after the account? Is it relevant to request further information from him/her? The report may have been submitted by someone with little overall knowledge of the customer, and whilst the activity may have genuinely appeared to be suspicious to the reporter, the RM may be in possession of information that will allay that suspicion.</li> </ul> <p><b>Case Notes:</b> Record key information as a case progresses, e.g. diary dates; details of discussions with other staff within the Group. A summary of the response to the Relationship Manager/account holding branch, including any recommendation for further action on their part, should also be recorded here.</p> <p><b>Summary and Assessment:</b> Complete when a decision has been made:</p> <ul style="list-style-type: none"> <li>- If it has been decided <b>not</b> to disclose, this note should include details of the transactions/activity that provoked the suspicion, followed by a <b>detailed</b> explanation of the reasons why it is felt appropriate <b>not</b> to disclose.</li> <li>- If a disclosure is deemed appropriate, this note should begin with an explanation of the transactions/activity that provoked the suspicion, and summarised using one of the Standard Phrases <i>wherever possible</i> (see Standard Phrases document). If the customer has been disclosed previously, this fact should be recorded at the beginning of the Summary and Assessment (include disclosure ID numbers).</li> </ul> <p>Leave the <b>Conclusion</b> blank – the case checker will complete this.</p>
3.	<p><b>Responses</b> (using the standard tick-box letter) should be sent to:</p> <ul style="list-style-type: none"> <li>- The submitter of the report to acknowledge receipt and to advise whether or not a disclosure has been made</li> <li>- The Relationship Manager, or account holding branch if the customer is Core Market, to advise whether or not a disclosure has been made, and also to confirm what further action is recommended. The tick-box letter provides options based on the following: <ul style="list-style-type: none"> <li>- Does the bank know, or has the customer provided an explanation for, the transactions/activity that prompted the Suspicion Report? Is it appropriate to ask (give consideration to possible tipping off)?</li> <li>- Is Know Your Customer up to date (i.e. does the bank have an understanding of the customer's business/employment/personal circumstances)? Send the 'KYC' document with our response to assist the Relationship/branch manager with this process.</li> </ul> </li> </ul> <p>-The Relationship/branch manager may wish to consider exiting the relationship if he/she is unhappy with their findings when updating Know Your Customer/due diligence.</p>

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# **GROUP FINANCIAL CRIME: PROCEDURES MANUAL** **Money Laundering Reporting**

	<ul style="list-style-type: none"><li>- Group Financial Crime may consider that there is a risk to the Group in retaining the relationship (e.g. high-risk activity, numerous previous disclosures), and in these circumstances will give instructions that the account should be closed. Standard letters are held to cover various closure options.</li><li>- KYC/due diligence may be up to date, and an explanation for the transactions obtained (although there is still sufficient concern for a disclosure to have been submitted). In those circumstances it may merely be appropriate to request that the account be monitored for further suspicious activity.</li></ul>
4.	<p>Ensure the appropriate KYC spreadsheet is completed to reflect the advice recommended to the business. There are four spreadsheets:</p> <ul style="list-style-type: none"><li>- NatWest Retail</li><li>- RBS Retail</li><li>- CBFM</li><li>- Other.</li></ul>
5.	<p>Scan the Suspicion Report and attach these pages, together with the response letters, to the Goalkeeper case.</p>
6.	<p>Begin completion of the <b>disclosure</b> by clicking on the 'Submit NCIS Disclosure' button at the top of the Goalkeeper case record.</p> <ul style="list-style-type: none"><li>- Select the 'Main Subject' (usually the account holder) as well as all other names that are required to be included within the disclosure.</li><li>- The disclosure 'type' should reflect the legislation selected in the case.</li><li>- Account holding branch details are completed on the left of the disclosure template, the reporting unit's details on the right.</li><li>- Select 'Yes' under Further Information if a previous disclosure has been submitted for this customer.</li><li>- Click on the 'Summary and Assessment' button to automatically transfer the comments from the Goalkeeper case into the disclosure. (NB. Space is limited, unlike in the case record itself, so ensure <b>all</b> the text has been copied).</li><li>- Add relevant additional information to the Main Subject, together with address(es) (copied from the case), supplementary information (keyed as new) and transaction details. In the initial transaction screen, include further information such as date account opened, balance, and turnover details where appropriate.</li><li>- Add relevant additional information to all linked names. This must include the association to the Main Subject (e.g. 'joint party to Main Subject's account'; 'source of funds'; 'remitter of funds').</li></ul> <p>Save the information. (Tip – click on the 'Save' button regularly when completing the disclosure to ensure all information is retained, especially before and after copying the Summary and Assessment from the Goalkeeper case record).</p>

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## **GROUP FINANCIAL CRIME: PROCEDURES MANUAL**

### **Money Laundering Reporting**

#### **iii) Money Laundering – Disclosure Checking**

##### **Background**

There is significant reputational risk to RBSG if the quality and timeliness of Money Laundering disclosures is poor. In addition, there is an ongoing need to monitor the quality of reports from each individual member of staff to ensure they are meeting targets and reacting positively to feedback from line management.

##### **Process**

Checking of disclosures is closely linked to the Top Ten Must Do's document (see later):

Have **existing** cases been identified and linked?

**High Profile case?** Refer to High Profile Case Definition document.

Ensure the **Control Authority** is correct.

**Submitting unit** details should be selected from the 'submitting department' drop-down box wherever possible; otherwise branch and sort code (primarily for the Retail banks) should be keyed.

Carefully check the **Estimated Amount Laundered** figure. If we are reflecting overall turnover figures, and have disclosed previously, ensure the figure quoted only covers the period since the previous disclosure.

Have the correct **Reasons for Suspicion** been selected?

**Personal/Business data** – Ensure **all** relevant details have been included. Spellings of the main subjects are particularly important, not just from a reputational viewpoint, but also to ensure future name matches are accurate.

**Transaction** details correct? If the Suspicion Report refers to numerous transactions, or the case is related to overall activity, ensure that not too many transactions have been included (although in these situations the nature of the activity/transactions must be fully explained in the Summary & Assessment).

**Case notes** - If we have disclosed before, refer to the previous case(s) to check: a) that the member of staff appears to have reflected on the previous disclosure(s) in this latest report, and b) what advice was given to the business at the time of the previous disclosure(s). It is pointless sending continuous identical disclosures, likewise we shouldn't send similar responses to the business every time we disclose. For example, if previously we have asked the branch/Relationship Manager to 'update KYC and seek an explanation from the customer', have they done it? If not, why not? In these situations, ideally the member of staff should phone for feedback before putting the disclosure together.

This is especially relevant for Carousel Trading cases. We should not send disclosures every couple of months whenever there is a slight variation in turnover or when new trading names have been identified. We must try and get some feedback from the RM and make a **considered** decision as to whether it merits disclosing.

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## **GROUP FINANCIAL CRIME: PROCEDURES MANUAL**

### **Money Laundering Reporting**

The **Summary & Assessment** should include:

- A reference to previous NCIS ID numbers where the subject has been previously disclosed.
- A description of the transactions/activity that have provoked the suspicion.
- A Standard Phrase in summation wherever possible.
- Is the spelling and grammar correct? Is it apparent that the member of staff checks this aspect him/herself?

Ensure the **Response Letters** are correct. If there is no Relationship Manager, any request for further action should be sent to the account holding branch. The letters should be personalised wherever possible (and in the case of NWB branches, specify CSB to avoid them being wrongly diverted to Customer Service Centre's). If the disclosure has been completed by MLDU, consider whether a separate response letter is required

Select the appropriate **conclusion** to the case. If you are in agreement that a disclosure should be submitted, first convert the case to 'Money Laundering Disclosure'.

On the **disclosure** itself make sure, at the top, that the details on the left are the account holding branch, and on the right the submitting branch.

- Make sure the 'Further Information' box is clicked 'Yes' if we have disclosed previously.
- Check the Summary & Assessment. If this has been amended in any way, ensure the revised commentary replaces the existing record. Does it all fit into the restricted template?
- Ensure all the names other than the Main Subject have an association keyed against their name.
- The first transaction template should include additional account information, i.e. date opened, balance, turnover details.
- Ensure all relevant information has been copied across from the Goalkeeper case record and is included against the individual names in the disclosure.
- Additional data, for example telephone numbers and identification documents (e.g. passports), need to be entered manually.

When the check is complete, click on the 'Submit' button at the bottom of the disclosure template, and confirm the instruction.

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## **GROUP FINANCIAL CRIME: PROCEDURES MANUAL**

### **Money Laundering Reporting**

#### **iv) Money Laundering – High Profile Report**

##### **Background**

This monthly report is extracted from Goalkeeper and represents a summary of all money laundering cases keyed in the previous month with a High Profile marker (as defined by the High Profile Case Definition document). The report is designed to focus not just on the nature of disclosures submitted but also on the advice and guidance provided to the business by GI&F for purposes of trend/risk analysis.

The report is forwarded to nominated recipients by the 20<sup>th</sup> day of the following month.

##### **Process**

Click on 'High Profile Report' in Goalkeeper, and enter beginning and end dates of the previous month. When the Report has been generated, save as an Excel document. Expand and reduce the fields within the template as appropriate.

Initially scrutinise the full report to identify cases that may have already been included in the previous month, or should **not** have been included (HP marker not appropriate?). Delete these cases.

Because of the volumes of certain case types, information regarding these is provided in summary form and are broken down in terms of the assessment/advice given to the business, as follows:

- **Customers previously disclosed within the last five years –**
  - Instruction to close in view of continuing concerns.
  - No specific action proposed/taken at the time of the previous disclosure. Relationship Manager/Branch to review connection/KYC/due diligence and consider exiting.
  - No major issues despite repeat disclosure; account to continue subject to monitoring by Relationship Manager/branch, reverting to GI&F in the event of future concerns.
- **VAT fraud (Carousel Trading) –**
  - Decision taken by Relationship Manager to close the account/connection
  - Recommendation to close provided by GFC
  - Request for Relationship Manager/Branch to review connection/KYC/due diligence and revert to GFC if still concerned.
  - Relationship to continue, reverting to GFC in the event of future concerns/changes in the pattern of activity.
- **Consent cases –**
  - Consent granted
  - Consent not provided.

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## **GROUP FINANCIAL CRIME: PROCEDURES MANUAL**

### **Money Laundering Reporting**

For all these three case types, calculate the total Estimated Amounts Laundered, and break this down as to the proportion that relates to cases for the Retail banks, and those for Corporate/Commercial.

When these summaries have been completed, the individual cases that the summaries cover should be deleted from the Report.

The remaining High Profile cases will form the main body of the Report. Review each case and amend the template as follows:

- Insert branch sort code and full bank/branch name
- MLDU referral? --
- Key 'Yes' if the case resulted from a MLDU Alert
- Key 'No' if the case resulted from a direct report from another unit.
- Key 'N/A' if the bank's automated profiling system does not currently cover the account holding branch in question.
- The Synopsis box will be automatically pre-filled with the text of the Summary & Assessment from the Goalkeeper case. Include comments on what further action has been recommended to the Relationship Manager/branch by GI&F. (NB. The synopsis box may need to be expanded to accommodate all the commentary).

In the final section at the end of the Report, detail any successes or positive feedback received where it is apparent that a disclosure or other information provided by GI&F has been of value to Law Enforcement.

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## GROUP FINANCIAL CRIME: PROCEDURES MANUAL

### Money Laundering Reporting

#### v) Money Laundering Disclosures – Top Ten Must Do's

1.	<ul style="list-style-type: none"><li>• Check GK &amp; FMS for any <b>connected cases</b> – ensure links are established.</li></ul>
2.	<ul style="list-style-type: none"><li>• <b>High Profile</b> case? (Refer to High Profile Case definition document).</li><li>• If so, <b>ensure</b> case is prioritised at every stage in accordance with current guidelines.</li></ul>
3.	<ul style="list-style-type: none"><li>• Select correct <b>Control Authority</b>.</li><li>• Ensure <b>submitting unit</b> details are correct.<ul style="list-style-type: none"><li>• Enter sort code in sort code box, or details of unit in 'Submitting Department' drop-down box (use wherever possible). <b>Do not</b> key information in both of these fields.</li></ul></li></ul>
4.	<ul style="list-style-type: none"><li>• <b>Estimated Laundered Total</b> should reflect overall turnover when <b>all</b> account activity is under suspicion, e.g. Carousel trading, but more generally should be the amount of the transaction(s) specifically provoking suspicion.</li></ul>
5.	<ul style="list-style-type: none"><li>• Select correct <b>Reasons for Suspicion</b> – can be more than one. Care re: <b>MLDU</b> cases.</li></ul>
6.	<ul style="list-style-type: none"><li>• <b>Personal/Business data</b> – this should include not only the account holder's details but also all third parties that are appropriate to the case, e.g. linked names, payees and remitters of transactions under suspicion.</li><li>• Ensure all relevant <b>addresses</b> are <b>verified</b> where possible</li><li>• Consider the appropriate <b>Transactions</b> to be keyed to the case – don't key too many.<ul style="list-style-type: none"><li>• If using Transaction Other (avoid if possible), ensure minus figure is keyed before amount for debits.</li></ul></li></ul>
7.	<ul style="list-style-type: none"><li>• <b>Case notes</b> should include relevant admin notes whilst case is being progressed, and a brief commentary of further action proposed when disclosure has been completed.<ul style="list-style-type: none"><li>• <b>Care re: text. Remember other business areas can view GK!</b></li></ul></li><li>• Prior to completing the <b>Summary and Assessment</b>, consider whether you have enough information.<ul style="list-style-type: none"><li>• Do we need feedback from a Relationship Manager?</li><li>• Would further details on payments/cheques aid our assessment?</li></ul></li></ul>
8.	<ul style="list-style-type: none"><li>• In the <b>Summary and Assessment</b> be clear as to the reasons why the disclosure is being made.<ul style="list-style-type: none"><li>• Try to avoid merely listing transactions but look to say why a transaction or series of transactions is considered suspicious.</li><li>• Include standard phrases to summarise wherever possible (refer to Standard Phrases document).</li><li>• Spellchecked?</li></ul></li></ul>
9.	<ul style="list-style-type: none"><li>• Carefully consider the <b>response</b> to the submitting unit/Relationship Manager.<ul style="list-style-type: none"><li>• Recommend, or insist on, termination of relationship?</li><li>• Does KYC need updating?</li></ul></li><li>• Is it relevant to provide more specific guidance, e.g. for Carousel Traders and Hawalla Bankers?</li></ul>
10.	<ul style="list-style-type: none"><li>• <b>All</b> relevant information should be transferred across to the <b>draft disclosure</b>.<ul style="list-style-type: none"><li>• Account holding branch and sort code correct?</li><li>• Specify the association of any connected names to the Main Subject.</li><li>• Ensure the details for the first transaction keyed include i) date account opened, ii) turnover, iii) balance as at date of disclosure (if relevant).</li><li>• Any additional ID information to be included – passport?</li></ul></li></ul>

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**GROUP FINANCIAL CRIME: PROCEDURES MANUAL**  
**Money Laundering Reporting**

**vi) The need for express consent from NCIS before a transaction can proceed.**

The Proceeds of Crime Act received Royal assent in July 2002, and the specific provisions within the Act are gradually being brought into force. Part 7 Sections 335 and 336, that became effective on 24/2/03, prohibit the bank from completing a "prohibited act" until a disclosure has been made and consent has been received from NCIS. The precise definition of a prohibited act is still being debated but could technically include any transaction to which law enforcement do not 'consent'.

The Act states that NCIS have **7 working days** after a disclosure has been made in which to 'consent' to a specified future transaction. If nothing is heard by the 8<sup>th</sup> day 'consent' to the transaction can be assumed. If the transaction is refused, law enforcement have 31 calendar days, from the day 'consent' was refused, to conduct further enquiries or obtain a restraint order. If nothing is heard within this period 'consent' to the transaction is assumed.

The aim of this legislation is to provide improved opportunities for Law Enforcement Agencies (LEA's) to restrain/seize the proceeds of crime. In practice, although the Act states NCIS have responsibility to give 'consent' it will be the Law Enforcement Agency (LEA), to whom the disclosure has been allocated, who will determine if 'consent' is appropriate.

Clearly it is not possible to obtain 'consent' for future transactions of which the money laundering reporting function has no prior knowledge. However there will be situations where branches and units contact the money laundering reporting team seeking advice regarding a transaction that has not yet taken place or a proposed future transaction. Examples of these include, but are not limited to:

- Unusually large credits expected
- Large encashments
- Requests for CHAPS, overseas payments

Where the transaction(s) requested or proposed have not taken place and the activity is of a suspicious nature, requiring a disclosure to NCIS then consideration must be given as to whether prior 'consent' to the transaction should be sought. Immediately refer the matter to Fleur Baugh, Doug Hartley or a member of the GI&F Management Team.



**GROUP FINANCIAL CRIME: PROCEDURES MANUAL**  
**Money Laundering Reporting**

When assessing whether the bank should seek prior 'consent' to a transaction the following issues must be considered:

- The level of suspicion attached to the transaction (objective test)
- Intended destination of funds, will they be outside the reach of UK Law Enforcement?
- Are the funds being used to purchase assets/property outside the reach of UK Law Enforcement?
- Are the funds being withdrawn in cash or to purchase easily portable/realisable assets such as diamonds?
- How pressing is the need to make the payment i.e. is the transfer being requested urgently/immediately (refusal to carry out an urgent transaction might 'tip off' the customer)?

Where the transaction(s), requested or proposed, meet one of the following criteria the bank should consider requesting prior 'consent':

- The bank has an enhanced degree of suspicion over and above that which merely requires a disclosure to be made.
- The size of the transaction(s) is/are such that the financial risk be defined as significant (link to High Profile Case definitions).
- Substantial cash withdrawals.
- Monies are to be sent overseas.

If, from a suspicion report or telephone call to this office, you identify a transaction that you feel generates sufficient concern to warrant a 'pre-event disclosure' –

- Immediately refer to Fleur Baugh or Doug Hartley, or in their absence, Mike Hoseason or Jane Stuart, who will closely monitor the process.
- Where instructed, **immediately** complete a **High Profile** disclosure and arrange immediate checking and releasing. Ensure the standard 'consent' phrase is included in the Summary & Assessment [*to be drawn up and checked with Group Legal*].
- Simultaneously telephone NCIS and fax the disclosure to them.
- Urgently establish the area of Law Enforcement to whom the disclosure has been allocated.

**GROUP FINANCIAL CRIME: PROCEDURES MANUAL**  
**Money Laundering Reporting**

- Immediately contact the Law Enforcement officer involved in an effort to obtain consent in writing (or fax - *check this is acceptable from a legal perspective*). This should be sought as soon as possible, but certainly before the transaction in question takes place (although bear in mind that law enforcement are permitted a maximum of seven working days, from the day following the date of the disclosure, to respond).
- ✓ If consent is obtained, the Bank can then complete the transaction subject to usual commercial considerations
- ❖ If consent is withheld, the account will need to be frozen with immediate effect. Obtain confirmation, in writing, whether the bank may inform the customer as to reason for freezing the account. If such confirmation cannot be obtained, or is refused, the business should refer to Group Legal regarding the content of any communication to the customer advising why the transaction cannot take place

OR

- ❖ For whatever reason, consent cannot be confirmed before the transaction is due, the business should refer to Group Legal regarding the content of any communication to the customer advising why the transaction cannot take place.
- ❖ Where the account is to be stopped or a payment withheld GI&F must immediately advise the relationship unit and the MLPO for the customer owning division.

The bank may need to make an assessment as to whether the risk of withholding the transaction *pending* consent outweighs the risk of allowing the transaction to take place *without* consent. In this situation the MLRO / Group Enterprise Risk must be made aware of the case and agree to the decision reached.

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NW 000164

**EXHIBIT 78 to Declaration of Joel Israel**



**Interpal**  
*Helping Palestinians in Need*

***Trustee's Annual Report & Audited Accounts  
For the Year Ending 31 December 2002***



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**Palestinians Relief & Development Fund**

**ANALYSIS OF GRANTS MADE IN 2002**

**ANALYSIS OF GRANTS MADE IN 2002**

Total Number of Grants 2002					
	Humanitarian Aid	Medical	Community Development	Education	Total
Individuals	1	-	-	4	5
Institutions	412	19	54	65	550
<b>Totals</b>	<b>413</b>	<b>19</b>	<b>54</b>	<b>69</b>	<b>555</b>

Total Value of Grants 2002 (Total Charitable Expenditure)					
	Humanitarian Aid	Medical	Community Development	Education	Total
Individuals		-	-	£1,300 00	£1,300 00
Institutions	£2,841,457 06	£214,387 45	£724,007 84	£335,467 23	£4,115,319 58
<b>Totals</b>	<b>£2,841,457 06</b>	<b>£214,387 45</b>	<b>£724,007 84</b>	<b>£336,767 23</b>	<b>£4,116,619 58</b>

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NW 013473

Sub-analysis of Grants made to Institutions in 2002											I/V
Name of Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Cons Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
1 Al-Salah Islamic Association GAZA	Palestine	14	£359,359.29	-	-	-	-	1	£8,387.01	15	£367,746.39
2 PFP Ltd - New Zealand (Qurbani Canned Meat Project)	Palestine	3	£324,278.06	-	-	-	-	-	-	3	£324,278.06
3 SANABIL ASSOCIATION For Relief and Development	Lebanon	14	£238,009.48	-	-	3	£21,032.26	4	£14,001.61	21	£273,043.35
4 Humanitarian Relief Association - Beit Al-Maqadis	Palestine	2	£23,915.81	1	£64,516.13	3	£157,310.65	-	-	6	£245,742.58
5 Islamic Charitable Society - Al-Khalil	Palestine	12	£195,807.45	-	-	2	£24,310.00	2	£6,225.81	16	£226,343.26
6 Mercy Association for Children	Palestine	12	£174,513.84	-	-	1	£13,900.00	-	-	13	£188,413.84
7 Social Reform Society - Jordan	Jordan	12	£153,712.23	-	-	1	£1,290.32	1	£3,225.81	14	£158,228.35
8 Al-Mujama Al-Islami - Gaza	Palestine	11	£105,337.03	-	-	1	£13,900.00	-	-	12	£119,237.03
9 Al-Mujama Al-Islami - Khan Yunis	Palestine	8	£32,011.23	-	-	1	£13,900.00	3	£70,967.74	12	£116,878.97
10 Dar Al-Fadila Benevolent Home for Orphans	Palestine	-	-	-	-	1	£116,129.03	-	-	1	£116,129.03
11 Islamic Society - Gaza	Palestine	8	£64,462.13	-	-	2	£31,250.00	1	£9,677.42	11	£105,389.55
12 Jenin Zakat Committee	Palestine	14	£83,753.35	-	-	-	-	3	£11,677.42	17	£94,930.77
13 Tulkarem Zakat Committee	Palestine	12	£61,635.26	2	£10,122.81	-	-	3	£9,951.61	17	£81,709.68
14 Islamic Heritage Committee	Palestine	3	£25,504.68	-	-	2	£53,401.94	-	-	5	£78,906.61
15 Nablus Zakat Committee	Palestine	14	£72,055.48	-	-	-	-	2	£6,225.81	16	£78,281.29
16 Al-Tadamun Charitable Society Nablus	Palestine	6	£39,860.16	-	-	2	£32,640.00	-	-	8	£72,500.16
17 Islamic Society - Nusairat Camp	Palestine	10	£48,731.81	1	£6,451.61	2	£13,910.00	1	£2,000.00	14	£71,093.42
18 Gaza Zakat Committee	Palestine	9	£53,011.00	-	-	-	-	1	£2,000.00	10	£55,011.00
19 Al-Islah Charitable Society - Ramallah & Al-Bireh	Palestine	2	£30,591.61	-	-	2	£22,570.00	-	-	4	£53,161.61
20 Students Friends Society	Palestine	-	-	-	-	-	-	4	£49,353.00	4	£49,353.00
21 Ramallah Zakat Committee	Palestine	10	£39,565.26	-	-	-	-	1	£3,700.00	11	£43,265.26
22 Muslim Youth Society - Al Khalil	Palestine	10	£34,400.03	-	-	-	-	2	£7,741.94	12	£42,141.97
23 Khan Yunis Zakat Committee	Palestine	9	£36,783.68	-	-	-	-	1	£1,000.00	10	£37,783.68

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NW 013474



Sub-analysis of Grants made to Institutions in 2002											II/V
Name of Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
24 Al-Rahma Zakat Committee - Khan Yunis	Palestine	5	£33,320 48	-	-	-	-	-	-	5	£33,320 48
25 Al-Islah Charitable Social Society - Jericho	Palestine	7	£31,011 87	-	-	-	-	1	£2,000 00	8	£33,011 87
26 Social Charitable Association - Rafah	Palestine	6	£28,640 29	-	-	-	-	1	£1,500 00	7	£30,140 29
27 Muslim Women Society	Palestine	1	£6,897 00	-	-	2	£16,425 81	1	£6,451 61	4	£29,774.42
28 Orphan Care Society - Beitlehem	Palestine	9	£29,226 68	-	-	-	-	-	-	9	£29,226 68
29 Islamic Society - Rafah	Palestine	3	£11,655 06	-	-	1	£13,900 00	1	£2,500 00	5	£28,055.06
30 Islamic Charity Centre - Jordan	Jordan	2	£26,026 45	-	-	-	-	-	-	2	£26,026.45
31 Quran And Sunnah Society	Palestine	6	£22,425.16	-	-	-	-	1	£3,225 81	7	£25,650 97
32 Al-Razi Hospital	Palestine	-	-	3	£25,606 68	-	-	-	-	3	£25,606 68
33 Islamic Welfare Association	Lebanon	4	£25,228 48	-	-	-	-	-	-	4	£25,228 48
34 Taffouh Charitable Society	Palestine	5	£9,116 68	1	£14,838 71	-	-	1	£81 00	7	£24,036 39
35 Science and Culture Center	Palestine	1	£3,448 00	-	-	2	£19,354 84	-	-	3	£22,802 84
36 Islamic Society - Al-Qarara	Palestine	3	£10,767 97	-	-	1	£9,677.42	1	£1,935 48	5	£22,380 87
37 Bani Naim Charitable Society	Palestine	4	£21,316 03	-	-	-	-	-	-	4	£21,316 03
38 Al-Lod Charitable Society	Palestine	1	£6,897 00	-	-	2	£13,415 40	-	-	3	£20,712 40
39 Islamic University of Gaza	Palestine	1	£10,345 00	-	-	-	-	1	£10,000 00	2	£20,345 00
40 WAMY - Gaza Office	Palestine	-	-	-	-	-	-	1	£20,000 00	1	£20,000 00
41 Qalqilya Society For Rehabilitation	Palestine	4	£19,718.23	-	-	-	-	-	-	4	£19,718 23
42 Charitable Society for the Support of Palestinian Students	Palestine	1	£3,448 00	-	-	-	-	-	-	2	£19,577 03
43 Al-Islah Charitable Society - Jerusalem	Palestine	-	-	1	£19,354 84	-	-	-	-	1	£19,354 84
44 Tarqoumia Zakat Committee	Palestine	6	£16,614 84	-	-	-	-	1	£2,000 00	7	£18,614.84
45 Beit Fajjar Zakat Committee	Palestine	5	£10,711 35	-	-	1	£2,580 65	2	£5,170 97	8	£18,462 97
46 Islamic Society - Jabalia City	Palestine	2	£8,187 32	-	-	1	£9,677 42	-	-	3	£17,864 74

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HIGHLY CONFIDENTIAL

NW 013475

Sub-analysis of Grants made to Institutions in 2002											III/V
Name of Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
47 Dura Zakat Committee	Palestine	1	£17,838.94	-	-	-	-	-	-	1	£17,838.94
48 El-Wafa Charitable Society	Palestine	1	£3,448.00	-	-	1	£13,900.00	-	-	2	£17,348.00
49 Al-Islah Charitable Social Society - Beithelem	Palestine	1	£6,897.00	-	-	1	£10,420.00	-	-	2	£17,317.00
50 Orphans and Needy Welfare Society - Jericho	Palestine	9	£12,083.65	-	-	-	-	3	£5,225.81	12	£17,309.45
51 Tubas Zakat Committee	Palestine	12	£15,515.97	-	-	-	-	1	£1,700.00	13	£17,215.97
52 Dheisha Camp Zakat Committee	Palestine	4	£9,763.48	-	-	-	-	3	£6,516.13	7	£16,279.61
53 Tarqoumia Charitable Society - Hebron	Palestine	-	-	2	£16,129.03	-	-	-	-	2	£16,129.03
54 Anebtia Zakat Committee	Palestine	8	£15,703.42	-	-	-	-	-	-	8	£15,703.42
55 Jerusalem Central Zakat Committee	Palestine	2	£8,698.29	-	-	-	-	1	£6,451.61	3	£15,149.90
56 Nour El-Marifa El-Khiria	Palestine	1	£3,448.00	-	-	-	-	1	£10,967.74	2	£14,415.74
57 Islamic Society for Orphan Welfare - Yatta	Palestine	4	£14,204.42	-	-	-	-	-	-	4	£14,204.42
58 Islamic Society - Beit Manoun	Palestine	-	-	-	-	1	£14,193.55	-	-	1	£14,193.55
59 Public Service Committee	Palestine	-	-	-	-	1	£13,900.00	-	-	1	£13,900.00
60 Yatta Zakat Committee - Al-Khalil	Palestine	5	£11,890.39	-	-	-	-	1	£2,000.00	6	£13,890.39
61 Arab Women Welfare Society	Palestine	2	£11,545.00	-	-	-	-	1	£2,200.00	3	£13,745.00
62 Al-Makassed Islamic Charitable Society - Hospital	Palestine	1	£6,451.61	1	£6,897.00	-	-	-	-	2	£13,348.61
63 Yaffa Medical Centre (See Al-Salah Society)	Palestine	-	-	2	£12,951.61	-	-	-	-	2	£12,951.61
64 Qalqilya Zakat Committee	Palestine	9	£12,408.39	-	-	-	-	-	-	9	£12,408.39
65 Islamic Charitable Society - Dura Al-Khalil	Palestine	6	£9,948.68	-	-	-	-	1	£1,300.00	7	£11,248.68
66 Khalil Al-Rahman Women Society	Palestine	4	£10,930.58	-	-	-	-	-	-	4	£10,930.58
67 Scientific Medical Association	Palestine	-	-	1	£10,345.00	-	-	-	-	1	£10,345.00
68 Al-Huda Women Society - Ramallah	Palestine	1	£10,345.00	-	-	-	-	-	-	1	£10,345.00
69 Misr Co - Egypt (Ramadan Food Parcels)	Jordan	1	£10,335.48	-	-	-	-	-	-	1	£10,335.48

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HIGHLY CONFIDENTIAL

NW 013476

Sub-analysis of Grants made to Institutions in 2002											IV/V
Name of Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
Zarka Private University	Jordan	-	-	-	-	-	-	1	£10,322.58	1	£10,322.58
Al-Ram Zakat Committee	Palestine	2	£10,122.81	-	-	-	-	-	-	2	£10,122.81
Dar Al-Quran Al-Kareem Wa Al-Sunah	Palestine	-	-	-	-	1	£9,677.42	-	-	1	£9,677.42
Friends of the Blind	Palestine	-	-	-	-	2	£9,677.42	-	-	2	£9,677.42
Saida Village Zakat Committee	Lebanon	-	-	-	-	1	£9,635.00	-	-	1	£9,635.00
Islamic Society - Khan Yunis	Palestine	2	£6,945.00	-	-	-	-	1	£2,000.00	3	£8,945.00
Aqaba Village Mosque Committee	Palestine	-	-	-	-	1	£8,387.01	-	-	1	£8,387.01
Azoun Zakat Committee	Palestine	4	£8,247.01	-	-	-	-	-	-	4	£8,247.01
Kharas Zakat Committee	Palestine	3	£8,088.06	-	-	-	-	-	-	3	£8,088.06
South Society for Special Education, Ma'an	Jordan	1	£2,800.00	-	-	2	£4,400.00	-	-	3	£7,200.00
Asamou Zakat Committee	Palestine	6	£7,184.65	-	-	-	-	-	-	6	£7,184.65
Markfield Institute of Higher Education	UK	-	-	-	-	-	-	1	£7,000.00	1	£7,000.00
Sour Baher Zakat Committee	Palestine	1	£6,897.00	-	-	-	-	-	-	1	£6,897.00
Patient's Friends Society Al-Ahli Hospital - Al-Khalil	Palestine	-	-	1	£6,897.00	-	-	-	-	1	£6,897.00
Al-Mustaqbul Association for Care & Rehabilitation of the Blind	Palestine	-	-	1	£3,448.00	1	£3,225.81	-	-	2	£6,673.81
Al-Quds University	Palestine	-	-	-	-	-	-	1	£6,451.61	1	£6,451.61
Al-Aqsa Association for PMIW (Concecrated)	Palestine	1	£3,225.81	-	-	1	£3,225.81	-	-	2	£6,451.61
Ithna Zakat Committee	Palestine	5	£6,735.39	1	£700.00	-	-	1	£2,000.00	5	£6,435.39
Asira Al-Shamliya Zakat Committee	Palestine	3	£5,849.19	-	-	-	-	-	-	3	£5,849.19
Al-Rajef Centre for Special Education - Maan, Jordan	Jordan	1	£2,240.00	-	-	1	£2,240.00	1	£1,280.00	3	£5,760.00
Patient Care Society	Palestine	1	£3,448.00	-	-	1	£7,258.06	-	-	2	£5,706.06
Halhouh Zakat Committee	Palestine	5	£5,353.73	-	-	-	-	-	-	5	£5,353.73
Al-Khalil Villages	Palestine	1	£5,161.29	-	-	-	-	-	-	1	£5,161.29

34

HIGHLY CONFIDENTIAL

NW 013477

Sub-analysis of Grants made to Institutions in 2002											V/V
Name of Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
93 Al-Iman School	Palestine	-	-	-	-	-	-	1	£5,161.29	1	£5,161.29
94 Ein El-Hilwa Zakat Committee	LEBANON	1	£4,830.00	-	-	-	-	-	-	1	£4,830.00
95 Arourah Cultural Center	Palestine	-	-	-	-	2	£4,516.13	-	-	2	£4,516.13
96 Beit Kahil Zakat Committee	Palestine	3	£3,857.01	-	-	-	-	-	-	3	£3,857.01
97 Al-Khalil Zakat Committee	Palestine	3	£3,801.39	-	-	-	-	-	-	3	£3,801.39
98 Hamza Mosque - Al-Shobak	Jordan	-	-	-	-	1	£3,500.00	-	-	1	£3,500.00
99 Abu Hurayrah Computer Centre - Amman, Jordan	Jordan	-	-	-	-	1	£3,500.00	-	-	1	£3,500.00
100 Al-Ihsan Charity Society - Al-Khalil	Palestine	1	£3,448.00	-	-	-	-	-	-	1	£3,448.00
101 Beit Sahour Zakat Committee	Palestine	4	£3,342.16	-	-	-	-	-	-	4	£3,342.16
102 Al-Noor Nursery	Palestine	-	-	-	-	1	£3,225.81	-	-	1	£3,225.81
103 Al-Rashidiya Camp - Lebanon	Lebanon	-	-	-	-	1	£3,150.00	-	-	1	£3,150.00
104 Islamic Charitable Society - Beit Oula	Palestine	2	£3,113.16	-	-	-	-	-	-	2	£3,113.16
105 Beit Oula Zakat Committee	Palestine	3	£2,941.94	-	-	-	-	-	-	3	£2,941.94
106 Al-Khansa Women Society - Ramallah	Palestine	1	£2,760.00	-	-	-	-	-	-	1	£2,760.00
107 Al-Khader Zakat & Sadaqat Committee	Palestine	1	£2,760.00	-	-	-	-	-	-	1	£2,760.00
108 Hibla Zakat Committee	Palestine	5	£2,129.94	-	-	-	-	-	-	5	£2,129.94
109 Islamic Charitable Society - Al-Shyouchh	Palestine	1	£1,995.00	-	-	-	-	-	-	1	£1,995.00
110 Sueer Zakat Committee	Palestine	1	£1,920.00	-	-	-	-	-	-	1	£1,920.00
111 Workers Association	Palestine	1	£1,400.00	-	-	-	-	-	-	1	£1,400.00
112 Kufur Rai Kindergarten	Palestine	-	-	-	-	-	-	1	£1,290.32	1	£1,290.32
113 Healthlink Worldwide	UK	-	-	-	-	-	-	1	£1,200.00	1	£1,200.00
114 Ard Al Insan Palestinian Benevolent Association	Palestine	-	-	-	-	-	-	1	£900.00	1	£900.00
115 Palestine Society - SOAS	UK	-	-	-	-	-	-	1	£500.00	1	£500.00
116 Silwad Zakat Committee	Palestine	1	£403.87	-	-	-	-	-	-	1	£403.87
117 Beita Zakat Committee	Palestine	1	£201.94	-	-	-	-	-	-	1	£201.94
Totals		412	£2,841,457.06	19	£214,387.45	54	£724,007.84	65	£335,467.23	550	£4,115,319.58

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NW 013478

**EXHIBIT 79 to Declaration of Joel Israel  
(Communication with U.K. Government, 2 Pages)**

**This document has been filed Under Seal**

**EXHIBIT 80 to Declaration of Joel Israel**

**DAVIES, Rob, Group Risk Mgmt**

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**From:** Nell, Dedrei (Group Risk Mgmt)  
**Sent:** 17 September 2003 11:19  
**To:** FOSTER, Stephen James, Group Risk Mgmt, Connor, Damien (Group Risk Mgmt)  
**Subject:** FW: Interpal

Stephen - FYI

Damien - Could you please update the Interpal entries in the Reported Matches database with the additional details provided by Tony. Thanks

-----Original Message-----

**From:** O'Hear, Tony  
**Sent:** 17 September 2003 10:49  
**To:** Nell, Dedrei (Group Risk Mgmt)  
**Subject:** Interpal

Dedrei,

Apologies for the delay in getting back to you here.

I have today spoken to Mark Ashtown of the NTFIU, Special Branch, New Scotland Yard. Mark [REDACTED]

[REDACTED]

***Redacted - Privileged***

I will update our Goalkeeper records with the details of the above telephone conversation.

Tony O'Hear  
Manager, Group Investigations & Fraud  
0131 523 3401 Ext 23401

If you would like to know more about Group Investigations & Fraud, please access the Intranet link below.  
<http://www.manufacturing.rbs.co.uk/qsf/GIF/default.htm>

**EXHIBIT 81 to Declaration of Joel Israel**



**Lane, Belinda**

---

**From:** Brand, Derek  
**Sent:** 24 September 2003 17:03  
**To:** Lane, Belinda  
**Subject:** FW: Interpal

**Importance:** High

Hi Belinda,

Please see the e-mail below, which will hopefully suffice for your purposes.

Please don't hesitate to call if you require any further information or assistance.

Regards

**Derek Brand**  
CMAU, GI&F, Manufacturing  
Tel - 0131 525 1642  
Int - X 21642  
Fax - 0131 523 2125

-----Original Message-----

**From:** Brand, Derek  
**Sent:** 24 September 2003 16:02  
**To:** RODGER, Irvine, CBFM Compliance, FOSTER, Stephen James, Group Risk Mgmt  
**Cc:** Hoseason, Michael (Group Fraud); O'Hear, Tony; Richardson, Peter (Op Risk); Miller, Fiona (Op Risk), Nell, Dedrei (Group Risk Mgmt)  
**Subject:** Interpal  
**Importance:** High

Good afternoon,

As you may be aware, the above Charity a/c has been cleared by the Charities Commission of any wrong doing and/or links with Hamas.

I attach the links to web sites as confirmation -

<http://www.charity-commission.gov.uk/>

<http://news.bbc.co.uk/1/hi/uk/3135392.stm>

***Redacted - Privileged***

Regards

**Derek Brand**  
CMAU, GI&F, Manufacturing  
Tel - 0131 525 1642  
Int - X 21642  
Fax - 0131 523 2125

**EXHIBIT 82 to Declaration of Joel Israel  
(Communication with U.K. Government, 1 Page)**

**This document has been filed Under Seal**

**EXHIBIT 83 to Declaration of Joel Israel**

## The Charity Commission for England and Wales

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# Palestinians Relief and Development Fund

Registered Charity No. 1040094 (INTERPAL)

---

## Introduction

1. This report is the statement of the results of the Charity Commission's Inquiry under Section 8 of the Charities Act 1993 ("1993 Act") into the affairs of the Palestinians Relief and Development Fund, known as Interpal.

2. Interpal was registered as a charity in August 1994. Interpal provides aid to, assists, guides and comforts poor and needy Palestinians in the West Bank and Gaza strip, Jordan and Lebanon. It aims to relieve the hardship and suffering of these distressed persons by co-operating or working with other charitable organisations in the region. Interpal is based in London. Its income for the year ended 31 December 2001 was in excess of £4 million.

## Background and issues

3. Interpal had been subject to a Charity Commission inquiry in 1996 into allegations that some of its funds had been misappropriated for the political or violent militant activities of Hamas in Palestine. This inquiry found no evidence of inappropriate activity, and the information available indicated that Interpal was a well-run organisation. A small number of suggestions were made on how the charity could further improve its procedures.

4. In April 2003 the Commission contacted Interpal's trustees because similar allegations had been made. The Commission's aim was to determine how Interpal's working practises had changed, if at all, since 1996, especially in light of the increased tensions during recent years in the region. Detailed examination of Interpal's practises and record keeping found that it had improved its procedures and record keeping since the Commission's previous Inquiry, although these procedures could be further enhanced by introducing a greater degree of independent verification of the work done by Interpal's partners in the region on its behalf.

4. During the course of this correspondence the Commission learned that Interpal had received funds from The Al-Aqsa Foundation in the Netherlands. The Al-Aqsa Foundations in the Netherlands and various other countries had their assets frozen under United Nations sanctions in May 2003 for allegedly supporting terrorist activities. Closer inspection of the records relating to Interpal's relationship with The Al-Aqsa Foundation in the Netherlands revealed that the funds received were in respect of humanitarian work already carried out by Interpal and then invoiced to The Al-Aqsa Foundation.

5. On 21 August 2003, in a Presidential decree, the Government of the United States of America (US Authorities) designated Interpal as a "Specially Designated Global Terrorist" organisation for allegedly supporting Hamas' political or violent militant activities. The Commission concluded that these were serious allegations and in line with its well-publicised policy opened an Inquiry into Interpal under section 8 of the Charities Act 1993 on 26 August. The principal aim of the Inquiry was to investigate these allegations with a view to determining what, if any, remedial action was necessary to address the issues.

## Actions taken

6. The Commission used its powers to act in the interests of charities and their beneficiaries under Section 18 of the 1993 Act by freezing Interpal's bank accounts as a temporary and protective measure on 26 August whilst it investigated the allegations. This 'freezing' order allowed Interpal to apply to the Commission for release of funds to fulfil its charitable purposes. In the course of the inquiry, Interpal applied for release of small amounts of funds. The Commission agreed to these releases.

7. Also, as part of its investigation, the Commission formally requested the US Authorities to provide evidence to support the allegations made against Interpal. The Commission is mindful of the possible consequences for Interpal's beneficiaries of the Commission's actions, and therefore requested the US Authorities to provide evidence to support their allegations within a reasonably short period of time.

## Findings and outcomes

8. The US Authorities were unable to provide evidence to support allegations made against Interpal within the agreed timescale

9. The Commission concluded that in the absence of any clear evidence showing Interpal had links to Hamas' political or violent militant activities, Interpal's bank accounts should be unfrozen and the Inquiry closed. The bank accounts were 'unfrozen' and the Inquiry was closed on 24 September 2003.

## Wider issues

10. The Charity Commission is alert to the possibilities of charities being used to further or support terrorist activities. It will deal with any allegation of potential links between a charity and terrorist activity as an immediate priority. Where such allegations are made we will liaise closely with relevant intelligence, security and law enforcement agencies to facilitate a thorough investigation. As an independent statutory regulator, the Commission will make its own decisions on the law and facts of the case.

11. The Commission's own work reveals that connections or links between registered charities in England and Wales and terrorist organisations are very rare. However, any links between charities and terrorist activity are totally unacceptable and corrosive of public confidence in charities. 'Links' in this case might include fundraising or provision of facilities, but also include formal or informal links to organisations 'proscribed' under the Terrorism Act 2000, and any subsequent secondary legislation.

12. Active collaboration between charities and terrorist organisations is a police matter that may lead to serious criminal charges. Where allegations are made to the Commission or suspicions arise as a result of the Commission's work, the Commission will inform the relevant law enforcement agencies immediately and co-operate fully with the criminal investigation.

13. Where a charity's activities may give, or appear to give, support or succour to any terrorist activity, the Commission expects the charity's trustees to take immediate steps to disassociate the charity from the activity. We expect trustees to be vigilant to ensure that a charity's premises, assets, volunteers or other goods cannot be used for activities that may, or appear to, support or condone terrorist activities. Examples include the use of a charity's premises for fundraising or meetings.

14. Charities should take all necessary steps to ensure their activities could not be misinterpreted. The Commission expects trustees and charities to ensure their activities are open and transparent, for example, when transferring assets abroad. We hold trustees accountable for ensuring that procedures are put in place to ensure that terrorist organisations cannot take advantage of a charity's status, reputation, facilities or assets.

**EXHIBIT 84 to Declaration of Joel Israel**

**From:** Sludden, Tom  
**Sent:** Thursday, October 02, 2003 10:46 AM  
**To:** Derham, Bill (Cards Risk)  
**Cc:** ZZCONNOR, Damien, Group Risk Mgmt  
**Subject:** FW: Retail Direct - Sanctions \_Terrorist Financing: New RBS Group Search Request - GRM TER 26\_08\_03

Bill

Please refer to Damien's update re Interpal - can you arrange for block on chargebacks etc to be removed.

Tom Sludden  
Retail Direct Finance  
Governance Manager  
24/25 St Andrew Square

Tel: 0131 525 1497  
Fax: 0131 523 9784

-----Original Message-----

**From:** Connor, Damien (Group Risk Mgmt)  
**Sent:** 02 October 2003 15:41  
**To:** Sludden, Tom  
**Cc:** Norrie, Ben (Group Risk Mgmt); FOSTER, Stephen James, Group Risk Mgmt  
**Subject:** RE: Retail Direct - Sanctions \_Terrorist Financing: New RBS Group Search Request - GRM TER 26\_08\_03

Tom,

The customer match of Education Aid for Palestine was an a.k.a for Interpal ( as you will be aware). The blocking of 'Interpal' accounts was a direct result of a Charities Commission Order, and not an order via the Bank of England. We therefore have not reported this account formally to the bank of England as part of our reporting process. Please note that Interpal ( and its respective a.k.as) have now been cleared of any wrong doing or links with Hamas by the Charities Commission. Group legal received a letter from the Charities Commission on the 25/09/03 confirming that they had '[REDACTED]

[REDACTED] A full report of the formal enquiry is available on the Commission's webpage - [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk).

Please call me to discuss if you have any further queries regarding this issue.

Regards

Damien

-----Original Message-----

**From:** Sludden, Tom  
**Sent:** 30 September 2003 12:10  
**To:** Connor, Damien (Group Risk Mgmt)  
**Subject:** Retail Direct - Sanctions \_Terrorist Financing: New RBS Group Search Request - GRM TER 26\_08\_03

Damien

Apologies for delay in response - with exception of information previously reported for Streamline and Worldpay - all other RD bus areas have reported a Nil return.

Grateful if you could confirm whether the match on the Education Aid for Palestine streamline account has actually been reported to the Bank of England

(main bank account previously reported to the Charities commission).

<< Message: GRM Terr 26 08 03 - Streamline and Worldpay matches >>

Tom Sludden  
Retail Direct Finance  
Governance Manager  
24/25 St Andrew Square

Tel: 0131 525 1497  
Fax: 0131 523 9784



**EXHIBIT 85 to Declaration of Joel Israel  
(Communication with U.K. Government, 5 Pages)**

**This document has been filed Under Seal**

**EXHIBIT 86 to Declaration of Joel Israel**

**Woodley, Terry (CCB)**

---

**From:** O'Hear, Tony  
**Sent:** 17 September 2003 11:56  
**To:** Woodley, Terry (CCB)  
**Cc:** RODGER, Irvine, CBFM Compliance  
**Subject:** INTERPAL

Terry,

A Money Laundering Disclosure was submitted on the above customer back in [REDACTED] following receipt of a USD lodgement of [REDACTED]. The customer when asked confirmed that the payment originated from the [REDACTED]. I appreciate it may not be a straightforward exercise but are you able to check if any other funds have been received from this specific organisation over the last 12 mths?

Tony O'Hear  
Manager, Group Investigations & Fraud  
0131 523 3401 Ext 23401

If you would like to know more about Group Investigations & Fraud, please access the Intranet link below.  
<http://www.manufacturing.rbs.co.uk/gsf/GIF/default.htm>

T aics

**EXHIBIT 87 to Declaration of Joel Israel  
(Communication with U.K. Government, 1 Page)**

**This document has been filed Under Seal**

**EXHIBIT 88 to Declaration of Joel Israel  
(Communication with U.K. Government, 1 Page)**

**This document has been filed Under Seal**

**EXHIBIT 89 to Declaration of Joel Israel**

**DAVIES, Rob, Group Risk Mgmt**

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**From:** Stephen Foster [Fozzie6@ukgateway.net]  
**Sent:** 28 October 2003 16:05  
**To:** NORRIE, Ben, Group Risk Mgmt; ROWLAND, Leah, Group Risk Mgmt  
**Subject:** Re: Text from letter

agreed

----- Original Message -----

From: "NORRIE, Ben, Group Risk Mgmt" <Ben.NORRIE@rbos.com>  
To: "'Stephen Foster'" <Fozzie6@ukgateway.net>; "ROWLAND, Leah, Group Risk Mgmt" <Leah.Rowland@rbos.com>  
Sent: Tuesday, October 28, 2003 9:58 AM  
Subject: RE: Text from letter

> Yes, confirmation received from Tony O'Hear in GI&F who performed  
> investigation for RBS.

>  
> Don't know if the second para is factually correct. Perhaps the  
> following would be better?

>

>  
> Don't know if we want to commit to the monitoring? We have suggested,  
> but not agreed this with the Division as yet.

>

> Ben.

>

> -----Original Message-----

> From: Stephen Foster [mailto:Fozzie6@ukgateway.net]  
> Sent: 27 October 2003 22:33  
> To: ROWLAND, Leah, Group Risk Mgmt  
> Cc: NORRIE, Ben, Group Risk Mgmt  
> Subject: Re: Text from letter

>

>

> Leah - I suggest a reply as follows (can you check that Ben gets this  
> as well, because I would like him to check the e-mail traffic from, I  
> recall, Mike Hoseason and Derek Brand confirming that their checks on  
> the account revealed that no payments were being made to Hamas):

>

>  
> In the light of the comments in your letter, we have carried out  
> further checks on the accounts we hold for Interpal and we have  
> confirmed that payments are not being made to Hamas from those  
> accounts.

>

> Yours sincerely,


>

>

> Richard Gossage etc.

>

> PLUS - could you please tell Charlie that I spoke to Amanda on Friday  
> about  
> the User Requirements paper I gave to Amanda in draft last week, using  
> the material that he and David Leahy had pulled together some time  
> ago. Amanda said she would talk to Charlie about taking the paper  
> forward in my  
> absence.  
> If Charlie needs the paper, it is in J\Compliance\Assessment and  
> Monitoring\UID. I can't recall its name but it is one of only very few  
> docs  
> there.  
>  
> Thanks v much.  
> ----- Original Message -----  
> From: "ROWLAND, Leah, Group Risk Mgmt" <Leah.Rowland@rbos.com>  
> To: <Fozzie6@ukgateway.net>  
> Sent: Monday, October 27, 2003 3:38 PM  
> Subject: Text from letter  
>  
>  
> > Our ref: Terrorism73/TRD  
> >  
> > Dear Richard  
> >



> > Your sincerely  
> >  
> > Tom Dawlings  
> >  
> > Leah Rowland



> > Executive Secretary to Amanda Holt & Riccardo Rebonato Group Risk  
> > Management 5th floor, 280 Bishopsgate  
> > London EC2M 4RB  
> > Tel: 020 7334 1137 Fax: 020 7375 4106  
> > E-mail: leah.rowland@rbos.com  
> >  
> >  
> >  
> >  
>  
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> \*\*\*\*\*  
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>

**EXHIBIT 90 to Declaration of Joel Israel**

**DAVIES, Rob, Group Risk Mgmt**

---

**From:** Sludden, Tom  
**Sent:** 23 April 2004 15:25  
**To:** NORRIE, Ben, Group Risk Mgmt  
**Cc:** DAVIES, Rob, Group Risk Mgmt; COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk)  
**Subject:** RE: INTERPAL

Ben

We have not completed any additional due diligence on this connection as a result of previous instruction - please refer to attached email. In regard to money being paid from Interpal to Hamas, a review of the Interpal stramline connection would not shed any light on this as all funds rec'd to interpal by way of credit or debit card payments would be settled to a bank account in the name of Interpal (no third party payments possible from streamline account).

If there have been any payments to Hamas they would have to come from the main banking account.



FW: Retail Direct -  
Sanctions ...

Tom Sludden  
Retail Direct Finance  
Governance Manager  
24/25 St Andrew Square

Tel: 0131 525 1497  
Fax: 0131 523 9784

-----Original Message-----

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 21 April 2004 17 05  
**To:** COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk); Sludden, Tom  
**Cc:** DAVIES, Rob, Group Risk Mgmt  
**Subject:** INTERPAL

Gentlemen,

You may remember [REDACTED] we have previously reported to the Bank of England against INTERPAL and its various aka's (including Education Aid for Palestine, Palestinians Relief & Development Fund, etc). There was an investigation by the Charities Commission and Special Branch in to potential links with Hamas. no action was taken against the charity. At this time we attempted to confirm with the Bank of England [REDACTED]  
[REDACTED] The Bank of England advised that [REDACTED]  
[REDACTED]

We therefore undertook to monitor the transactions going forward. Can I ask you to investigate whether any enhanced due diligence has been put in place over these accounts (not sure the above was communicated, therefore suspect not) and if not take steps to ensure that measures are put in place. I have some details of the accounts and cards should you require. Please contact me if any of the above is not clear.

Kind Regards,  
Ben Norrie

Group Risk Management  
Royal Bank of Scotland Group  
5th Floor, 280 Bishopsgate  
London EC2M 4RB  
Tel: 00 44 (0) 20 7334 1460  
Fax: 00 44 (0) 20 7375 4813  
Email: ben.norrie@rbos.com

\*\*\*\*\*  
\*\*\*\*\*

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<http://www.rbsmarkets.com>

\*\*\*\*\*

Attachment

**DAVIES, Rob, Group Risk Mgmt**

---

**From:** Sludden, Tom  
**Sent:** 02 October 2003 15:46  
**To:** Derham, Bill (Cards Risk)  
**Cc:** ZZCONNOR, Damien, Group Risk Mgmt  
**Subject:** FW: Retail Direct - Sanctions & Terrorist Financing: New RBS Group Search Request - GRM TER 26\_08\_03

Bill

Please refer to Damien's update re Interpal - can you arrange for block on chargebacks etc to be removed.

Tom Sludden  
Retail Direct Finance  
Governance Manager  
24/25 St Andrew Square

Tel: 0131 525 1497  
Fax: 0131 523 9784

-----Original Message-----

**From:** Connor, Damien (Group Risk Mgmt)  
**Sent:** 02 October 2003 15:41  
**To:** Sludden, Tom  
**Cc:** Norrie, Ben (Group Risk Mgmt); FOSTER, Stephen James, Group Risk Mgmt  
**Subject:** RE: Retail Direct - Sanctions & Terrorist Financing: New RBS Group Search Request - GRM TER 26\_08\_03

Tom,

The customer match of Education Aid for Palestine was an a.k a for Interpal ( as you will be aware). The blocking of 'Interpal' accounts was a direct result of a Charities Commission Order, and not an order via the Bank of England. We therefore have not reported this account formally to the bank of England as part of our reporting process. Please note that Interpal ( and its respective a.k.as) have now been cleared of any wrong doing or links with Hamas by the Charities Commission Group legal received a letter from the Charities Commission on the 25/09/03 confirming that [REDACTED] A full report of the formal enquiry is available on the Commission's webpage - [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk).

Please call me to discuss if you have any further queries regarding this issue.

Regards

Damien

-----Original Message-----

**From:** Sludden, Tom  
**Sent:** 30 September 2003 12 10  
**To:** Connor, Damien (Group Risk Mgmt)  
**Subject:** Retail Direct - Sanctions & Terrorist Financing. New RBS Group Search Request - GRM TER 26\_08\_03

Damien

Apologies for delay in response - with exception of information previously reported for Streamline and Worldpay - all other RD bus areas have reported a Nil return.

Grateful if you could confirm whether the match on the Education Aid for Palestine streamline account has actually been reported to the Bank of England (main bank account previously reported to the Charities commission).

<< Message: GRM Terr 26 08 03 - Streamline and Worldpay matches >>

Tom Sludden  
Retail Direct Finance  
Governance Manager  
24/25 St Andrew Square

Tel: 0131 525 1497

Fax: 0131 523 9784

**DAVIES, Rob, Group Risk Mgmt**

---

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 26 April 2004 09:26  
**To:** Sludden, Tom  
**Cc:** DAVIES, Rob, Group Risk Mgmt; COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk)  
**Subject:** RE: INTERPAL

Thanks Tom.

Subsequent to the email attached we gave an undertaking to the BoE to monitor interpal going forward, where possible.

Understand that this might not be practical on the streamline terminal, however what about the cards held? (prompted to think about interpal by the match we have record on a recent card application).

Ben.

-----Original Message-----

**From:** Sludden, Tom  
**Sent:** 23 April 2004 15:25  
**To:** NORRIE, Ben, Group Risk Mgmt  
**Cc:** DAVIES, Rob, Group Risk Mgmt; COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk)  
**Subject:** RE: INTERPAL

Ben

We have not completed any additional due diligence on this connection as a result of previous instruction - please refer to attached email. In regard to money being paid from Interpal to Hamas, a review of the Interpal streamline connection would not shed any light on this as all funds rec'd to interpal by way of credit or debit card payments would be settled to a bank account in the name of Interpal (no third party payments possible from streamline account).

If there have been any payments to Hamas they would have to come from the main banking account.

<< Message: FW: Retail Direct - Sanctions & Terrorist Financing: New RBS Group Search Request - GRM TER 26\_08\_03 >>

Tom Sludden  
Retail Direct Finance  
Governance Manager  
24/25 St Andrew Square

Tel: 0131 525 1497  
Fax: 0131 523 9784

-----Original Message-----

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 21 April 2004 17:05  
**To:** COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk); Sludden, Tom  
**Cc:** DAVIES, Rob, Group Risk Mgmt  
**Subject:** INTERPAL

Gentlemen,

You may remember [REDACTED] we have previously reported to the Bank of England against INTERPAL and its various aka's (including Education Aid for Palestine, Palestinians Relief & Development Fund, etc). There was an investigation by the Charities Commission and Special Branch in to potential links with Hamas, no action was taken against the charity. At this time we attempted to confirm with the Bank of England [REDACTED]

[REDACTED] The Bank of England advised that [REDACTED]

[REDACTED] We therefore undertook to monitor the transactions going forward. Can I ask you to investigate whether any enhanced due diligence has been put in place over these accounts (not sure the above was communicated, therefore suspect not) and if not take steps to ensure that measures are put in place. I have some details of the accounts and cards should you require. Please contact me if any of the above is not clear.

Kind Regards,  
Ben Norrie

Group Risk Management  
Royal Bank of Scotland Group  
5th Floor, 280 Bishopsgate  
London EC2M 4RB  
Tel: 00 44 (0) 20 7334 1460  
Fax: 00 44 (0) 20 7375 4813  
Email: ben.norrie@rbos.com

\*\*\*\*\*  
\*\*\*\*\*  
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<http://www.rbsmarkets.com>

\*\*\*\*\*



**EXHIBIT 91 to Declaration of Joel Israel**

**From:** Norrie, Ben (Group Risk Mgmt)  
**Sent:** Thursday, October 09, 2003 9:34:18 AM  
**To:** FOSTER, Stephen James, Group Risk Mgmt  
**CC:** Connor, Damien (Group Risk Mgmt)  
**Subject:** RE: Interpal

Have trawled the email archives and have not come up with anything on Hamas payments.

This is possibly symptomatic of a wider concern re payment screening. The BoE, from their letter, and indeed as contained within statutory guidance require that we ensure that funds are not made available (to sanctioned or terrorist individuals or organisations). While we are very good at screening accounts, I am not aware of the processes we have in relation to payments. Is this my knowledge gap or an issue that needs addressing?

In relation to Interpal, I suggest that we have the CMAU monitor the transactions on this account going forward.

Ben.

-----Original Message-----

**From:** Brand, Derek  
**Sent:** 09 October 2003 12:20  
**To:** FOSTER, Stephen James, Group Risk Mgmt; Hoseason, Michael (Group Fraud); Norrie, Ben (Group Risk Mgmt)  
**Cc:** O'Hear, Tony  
**Subject:** RE: Interpal

I am not aware of anything intimating that payments may have been made to Hamas. Tony was running with this in great detail Stephen, but he is on holiday until Monday. I've copied him into this response in case he can add value.

Regards

**Derek Brand**  
CMAU, Group Investigations & Fraud,  
Group Security & Fraud, Manufacturing  
Tel - 0131 525 1642  
Int - X 21642  
Fax - 0131 523 2125

-----Original Message-----

**From:** FOSTER, Stephen James, Group Risk Mgmt  
**Sent:** 09 October 2003 12:12  
**To:** Hoseason, Michael (Group Fraud); Brand, Derek; Norrie, Ben (Group Risk Mgmt)  
**Subject:** Interpal

FYI tha BOE have written to us acknowledging the letter we sent them on Interpal (the letter merely told them

However, they have reminded us that [REDACTED] so we need to be freezing funds, reporting etc. Ben is looking out what we have but do you have anything on possible payments to Hamas? We will prob need to reply.

Thanks

\*\*\*\*\*

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" Visit our Internet site at <http://www.rbsmarkets.com> "

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" Regulated by the Financial Services Authority "

"\*\*\*\*\* "

**EXHIBIT 92 to Declaration of Joel Israel**

## Unknown

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**From:** COLE, Guy, CBFM Regulatory Risk  
**Sent:** Thursday, May 20, 2004 10:34 AM  
**To:** FOSTER, Stephen James, Group Risk Mgmt; NORRIE, Ben, Group Risk Mgmt  
**Cc:** RODGER, Irvine, CBFM Regulatory Risk; DAVIES, Rob, Group Risk Mgmt; JONES, Richard, CBFM Regulatory Risk  
**Subject:** RE: INTERPAL  
**Attachments:** Doc1.doc

Stephen/Ben

We have ascertained that the payment mentioned below has not gone to the Islamic Charitable Society for al-Aqsa or Al-Aqsa Islamic Charitable Society. Although similarly named, the recipient of this payment is a separate charity <[http://www.icshebron.org/branches\\_e.htm](http://www.icshebron.org/branches_e.htm)>, which appears to be operating without any form of sanction placed on it.

From my trawls for information on the internet I have not found any information that substantiates beyond opinion that Interpal has made payments to terrorist groups. It appears the perspective taken by Israel towards Interpal and other charities operating/funding schools/orphanages/hostels in Palestine and Gaza, is that these charities perpetuate terrorism as terrorists know that if they die their dependents will be looked after by the charities. This charity is the predominant UK charity providing relief in this region, it hosted and funded a visit by British MPs to the region in 1998. Looking at the accounts there are also a large number of small (e.g. £2) direct debits being paid into the charity's account from UK donors, and so a change of their banking arrangements will probably result in some form of media commentary.

I attach a summary of my review of Interpal foreign payments in the last six months. All of the recipients of these payments were checked in Worldcheck, KYC Check and reviewed against available Google information



Doc1.doc (113 KB)

In consideration of the information in the document attached above. The background information for the Al-Islah charity, is an unofficial opinion from an Israeli website and no other reports or recognition of this charity having links to terrorism are recorded on any other websites. The Worldcheck information on [REDACTED] is factually incorrect, they state that the US Federal government and UN have acknowledged that the charity aids and abets terrorism. According to the KYC Check no sanctions have existed against this entity. The source of Worldcheck's information is a student's journal at the University of California. My recent experience of Worldcheck has been disappointing, I will probably write a separate email concerning my Worldcheck findings, but in this instance if your search for the [REDACTED] against the WorldCheck 'part match' feature, no matches are found, if you then search for an 'exact match' one result is found.

I am content to leave the Sterling and Euro accounts operating with a semi annual review taking place for foreign payments made from the accounts. Consideration will need to be given regarding the operation of the US Dollar account, as funds from this account will get frozen if they are transferred via a US domiciled/owned counterparty. We should also be alert to any new Charity names being added to the Bank of England's terrorism list. I believe Interpal is aware of the sensitivity of their position, and will be keen to ensure it does not breach Bank of England sanctions.

I'll assume you are happy with approach, unless I hear otherwise.

Regards

Guy

Guy Cole  
CBFM Money Laundering Prevent Unit  
The Royal Bank of Scotland  
135 Bishopsgate, London, EC2M 3UR  
T (020) 7375 5433  
F (020) 7375 4641  
<<mailto:Guy.Cole@rbos.com>>

-----Original Message-----

**From:** FOSTER, Stephen James, Group Risk Mgmt  
**Sent:** 17 May 2004 11:24  
**To:** COLE, Guy, CBFM Regulatory Risk; NORRIE, Ben, Group Risk Mgmt  
**Cc:** RODGER, Irvine, CBFM Regulatory Risk; DAVIES, Rob, Group Risk Mgmt  
**Subject:** RE: INTERPAL

Guy, Ben is away all week, so I am replying on this.

You are correct that filtering is a group wide issue and that is why we have been working with key stakeholders like Payment Operations to develop the policy and capability. This continues and we know that it is a very important element of our counter-terrorism efforts.

On the specific case of Interpal, I can understand the difficulties of filtering payments in the absence of an automated system. However, we do need to monitor account activity and I hope that the RM and MLPU can find a practical way to review the account movements periodically for odd items. You are right to highlight the reputational issues but if management decides they don't want the relationship, there are ways to exit that might not cause a problem.

Please keep us in the loop with your investigations on the payments.

-----Original Message-----

**From:** COLE, Guy, CBFM Regulatory Risk  
**Sent:** 17 May 2004 11:05  
**To:** NORRIE, Ben, Group Risk Mgmt  
**Cc:** FOSTER, Stephen James, Group Risk Mgmt; RODGER, Irvine, CBFM Regulatory Risk  
**Subject:** RE: INTERPAL

Ben

I understand the best people to speak to are either Shirley Ritson on 020 7672 6940 or Sarah Wallis on 020 7672 5826.

***Redacted - Privileged***

***Redacted - Privileged***

I realise due to the US terrorist designation of Interpal, that we should be wary of the payments from their accounts with us, but in reality I believe there is very little we can effectively do to prevent payments being made without a payment filtering system, as the customer can initiate payments themselves without needing to contact the RM.

I have not been directly involved with the Interpal issue until your recent correspondence and so have not considered previously the risks myself. I think any decision to keep/close the account must be carefully made, as closing the account without an identifiable reason will most probably result in adverse media attention, also if a terrorism related payment is identified as being made, we again would suffer untoward regulatory/ media attention. I spent Friday looking through the last six months of debits on Interpal accounts, I have seen a couple of payments that warranted further investigation, particularly the below:

Transaction Date: [REDACTED]  
Transaction Amount: [REDACTED]  
Transaction Type: [REDACTED] (Standard Transfer / Foreign Payment)  
Transaction References: +BTR/04/20-263  
[REDACTED]

Further system investigation has shown the recipient accounts details are the below:

**EBANKGO04373632**

Bene acct name: Islamic Charitable Society - Dura

Bene acct nmbr: [REDACTED]

Bene bank: [REDACTED]

I need to conduct further investigations to establish whether this account could be the Islamic Charitable Society for al-Aqsa or Al-Aqsa Islamic Charitable Society. as this entity has been designated a terrorist group by the Bank of England.

Regards

Guy

Guy Cole  
CBFM Money Laundering Prevent Unit  
The Royal Bank of Scotland  
135 Bishopsgate, London, EC2M 3UR  
T (020) 7375 5433  
F (020) 7375 4641  
<<<mailto:Guy.Cole@rbos.com>>>

-----Original Message-----

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 14 May 2004 10:03  
**To:** COLE, Guy, CBFM Regulatory Risk  
**Cc:** FOSTER, Stephen James, Group Risk Mgmt  
**Subject:** RE: INTERPAL

Do you have any contact in the Core Data Manager team that I could try? Is there any kind of agreement between CBFM and Manufacturing that would serve as a mandate to have this work performed on an on-going basis?

Im and not sure whether you were aware but until a few weeks ago the NatWest logo was used prominently on the Interpal website in soliciting donations. Did you or the RM have Interpal remove this? Are the CBFM MLPU happy with the potential risks in continuing this relationship?

Ben

-----Original Message-----

**From:** COLE, Guy, CBFM Regulatory Risk  
**Sent:** 06 May 2004 16:51  
**To:** NORRIE, Ben, Group Risk Mgmt  
**Subject:** RE: INTERPAL

Ben

The Relationship Manager is aware of the potential terrorism connections with this account and liased with Derek Brand during the account freeze. Although diligent in their interaction with the customer, the RM has no ability to filter or efficently monitor payments, I understand that this could be done in the Core Data Manager team in Manufacturing who control payment blocking and restrictions.

Regards

Guy

Guy Cole  
CBFM Money Laundering Prevent Unit  
The Royal Bank of Scotland  
135 Bishopsgate, London, EC2M 3UR  
T (020) 7375 5433  
F (020) 7375 4641  
<<<mailto:Guy.Cole@rbos.com>>>

-----Original Message-----

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 06 May 2004 15:55  
**To:** COLE, Guy, CBFM Regulatory Risk  
**Subject:** FW: INTERPAL

Guy,

Haven't heard back from you on the below?

Ben.

-----Original Message-----

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 21 April 2004 17:05  
**To:** COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk); Sludden, Tom  
**Cc:** DAVIES, Rob, Group Risk Mgmt  
**Subject:** INTERPAL

Gentlemen,

You may remember [REDACTED] we have previously reported to the Bank of England against INTERPAL and its various aka's (including Education Aid for Palestine, Palestinians Relief & Development Fund, etc). There was an investigation by the Charities Commission and Special Branch in to potential links with Hamas, no action was taken against the charity. At this time we attempted to confirm with the Bank of England [REDACTED]

[REDACTED] The Bank of England advised that it [REDACTED]

[REDACTED] We therefore undertook to monitor the transactions going forward. Can I ask you to investigate whether any enhanced due diligence has been put in place over these accounts (not sure the above was communicated, therefore suspect not) and if not take steps to ensure that measures are put in place. I have some details of the accounts and cards should you require. Please contact me if any of the above is not clear.

**Kind Regards,**  
**Ben Norrie**

Group Risk Management  
Royal Bank of Scotland Group  
5th Floor, 280 Bishopsgate  
London EC2M 4RB  
Tel: 00 44 (0) 20 7334 1460  
Fax: 00 44 (0) 20 7375 4813  
Email: ben.norrie@rbos.com



**EXHIBIT 93 to Declaration of Joel Israel**

**From:** JONES, Richard, CBFM Regulatory Risk  
**Sent:** Tuesday, July 13, 2004 6:45 AM  
**To:** COLE, Guy, CBFM Regulatory Risk <Guy.COLE@rbos.com>  
**Subject:** FW: Bank Hapoalim

---

thank you

-----Original Message-----

**From:** Nolan, Ged  
**Sent:** 13 July 2004 11:43  
**To:** JONES, Richard, CBFM Regulatory Risk  
**Cc:** Miles, Phil  
**Subject:** Bank Hapoalim

Richard,

re our conversation we have been advised by Bank Hapoalim by Fax dated 11 July 2004 that 3 payments from NatWest have been blocked by Bank Hapoalim on the basis quote that the beneficiary, the Jenin Zakat Committee, was declared an "Unlawful Association" according to Defence (Emergency) Regulations with respect to terror activities. According to the above Regulations, Bank Hapoalim are obliged to hold the funds, pending receipt of instructions from the Israeli Government unquote.

Details of the payment are as follows:

Date of MT103	Amount	Value	TRN	Remitter	Beneficiary
---------------	--------	-------	-----	----------	-------------

This is the first we have heard of this and Hapoalim state "that they are very much aware of the long period of time which has lapsed since the receipt of these transfers and apologise for the delay in informing you. Upon receipt of instructions from the Government, we will notify you immediately".

At this stage we have not responded to Hapoalim nor contacted Payments Operations.

Regards

Ged\*

**EXHIBIT 94 to Declaration of Joel Israel**

**RODGER, Irvine, CBFM Enterprise Risk**

---

**From:** LOVE, Kevin, CBFM  
**Sent:** Monday, December 13, 2004 08:34 AM  
**To:** RODGER, Irvine, MLPU  
**CC:** COLE, Guy, MLPU  
**Subject:** RE: Interpal

Irv'

Thanks for this. Just for clarity can you make your last sentence clearer please – I think that you are saying that you agree with the branch that this account should **not** be exited?

Also, can you give me a paragraph (maybe from their website) which spells out exactly what Interpal do in their own words.

Thanks and regards

**Kevin R. Love**  
**Global Head of Enterprise Risk**  
**Corporate Banking & Financial Markets**  
**The Royal Bank of Scotland Group Plc**  
**kevin.love@rbos.com**  
**Work: +44 20 7085 4026 Mobile: +44 7769 931630**  
**Pager: +44 7693 308651 Blackberry: +44 7793 858329**

-----Original Message-----

**From:** RODGER, Irvine, CBFM Enterprise Risk  
**Sent:** 13 December 2004 13:17  
**To:** LOVE, Kevin, CBFM  
**Cc:** COLE, Guy, CBFM Enterprise Risk  
**Subject:** Interpal

Kevin

The RM is Belinda Lane from Romford Commercial (01708 774529). . The view from the branch is that it is a good income earner but it is declining. Clive Bray, Belinda's assistant, says that the account has been investigated several times but nothing untoward has been uncovered. He expressed the view that it would be a pity if we did exit but of course it would be accepted.

By way of background, there was an investigation by the **Charities Commission** and **Special Branch** into potential links with Hamas, but no action was taken against the charity. The Bank of England has also confirmed that although the Terrorism Order 2001 does cover Hamas, it does not cover Interpal.

Guy has not found anything that substantiates beyond **opinion** that Interpal has made payments to terrorist groups. It appears the perspective taken by Israel towards Interpal and other charities operating/funding schools/orphanages/hostels in Palestine and Gaza, is that these charities perpetuate terrorism as **terrorists know that if they die their dependents will be looked after by the charities**. Interpal is a predominant UK charity providing relief in this region, it hosted and funded a visit by British MPs to the region in 1998.

There is of course a **danger of adverse media comment** if we were to close a legitimate charitable account.

Taking everything into account, neither myself or Guy agree with the branch that the accounts should not be closed. You may wish to get Derek and Alan to make the final decision.

Regards

---

**Irvine Rodger**

**CBFM MLPU  
The Royal Bank of Scotland plc  
135 Bishopsgate, London, EC2M 3UF  
Internal Extension 361082  
Telephone 020 7085 1082**

Email: [irvine.rodger@rbos.com](mailto:irvine.rodger@rbos.com)

**The Royal Bank of  
Scotland plc**

[www.rbos.com](http://www.rbos.com)

**EXHIBIT 95 to Declaration of Joel Israel**

Lane, Belinda

To: Info; Bray, Clive  
Cc: Jihad Qundil  
Subject: RE: Cricklewood Branch

Hi Adlin

I am extremely concerned to learn of the poor service which you have encountered and will be writing to the manager of the branch to seek their comments and apologies. I will be in touch as soon as I have received a reply.

-----Original Message-----

From: Info [SMTP:info@interpal.org]  
Sent: 12 January 2004 13.40  
To: Lane, Belinda; Bray, Clive  
Cc: Jihad Qundil  
Subject: Cricklewood Branch

\*\*\* WARNING : This message originates from the Internet \*\*\*

PO Box 3333, London, NW6 1RW  
Tel: 020 8450 8002 ~ Fax: 020 8450 8002  
info@interpal.org <mailto:info@interpal.org> ~ www.interpal.org <<http://www.interpal.org/>>  
Registered Charity No. 1040094

<< File: image001.png >> .<< File: image002.jpg >>

Dear Belinda,

I hope it is still not too late to wish you a Happy New Year. We were very sad to lose Terry as our first point of contact, but Clive has been marvelous in giving us a helping hand and we look forward to building a close relationship with him.

I write to ask if you remember that little incident at the NatWest Cricklewood Branch last year. If you do, then you won't be too surprised at what I am about to say. I've had complaints from our staff that the Cricklewood branch staff have been extremely rude and unhelpful over these last few months, especially during Ramadan when we had a lot of donations to bank, including cash.

Our policy is to bank donations as soon as practicable, especially cash as our insurance does not cover the loss of more than £1,000 in cash. We can understand the bank staff not being happy when we go during lunch time, but it seems they are not happy no matter what time we turn up. It is not always possible to avoid lunch time, and surely as a long standing NatWest customer we are at liberty to bank the donations when it suits our business rather than the other way around. And surely it is not unreasonable to expect some courtesy from the branch staff.

I should be grateful if you could raise this matter with the branch manager as soon as possible, and ask her to look into the matter. It would be greatly appreciated if she can ensure that her staff are more helpful and courteous. This is a very serious issue as we never feel welcome at that branch. The manager, to her credit, is about the only one who does not moan when presented with the donations that we bank. However, as you found out for yourself, service at the Cricklewood branch leaves much to be desired.

I look forward to your reply, and would be interested to know what the branch manager has to say.

Best wishes;

Adlin Adnan

INTERPAL  
Helping Palestinians in Need

---

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**EXHIBIT 96 to Declaration of Joel Israel**

Fax



**Commercial Banking**

**To:** Helen/Pam  
**Company:** Natwest Cricklewood

Greater London East Commercial Banking Centre  
P.O.Box 2401  
1<sup>st</sup> Floor, 10 South Street  
Romford  
Essex, RM1 1BD

**Fax No:** 020 8452 0549

**Tel:** 01708 774529

**Phone No:**

**Fax:** 01708 733816

**E-mail:** clive.bray@rbs.co.uk

**From:** Clive Bray  
Assistant Manager  
Commercial Banking

**Date:** 21/01/04

**No of Pages** 3  
(including header):

**Subject**

---

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This message is confidential and for use by the addressee only. The contents are not to be disclosed to anyone other than the addressee. Please advise the sender immediately by telephone of any error in transmission.

Dear Helen or Pam

Following our fax of 13/1/04 of which I attach a copy. We recently received a phone call from Pam explaining that the complaint had been dealt with over the phone.

Because of the value to the Bank of this connection we feel that an appropriately worded letter of apology is required and would appreciate it if you would issue such a letter and copy us in.

Thank you for your assistance.

Clive Bray  
Assistant Manager  
Commercial Banking

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**EXHIBIT 97 to Declaration of Joel Israel**

**DAVIES, Rob, Group Risk Mgmt**

---

**From:** RODGER, Irvine, CBFM Regulatory Risk  
**Sent:** 03 June 2004 19:04  
**To:** FOSTER, Stephen James, Group Risk Mgmt, COLE, Guy, CBFM Enterprise Risk, NORRIE, Ben, Group Risk Mgmt  
**Cc:** DAVIES, Rob, Group Risk Mgmt; JONES, Richard, CBFM Enterprise Risk  
**Subject:** RE: INTERPAL

Guy

This is good (analysis) It is pleasing that you don't like to mince your words either..

Thanks

**Irvine Rodger**

CBFM MLPU  
The Royal Bank of Scotland  
135 Bishopsgate, London, EC2M 3UR  
T (020) 7334 1082  
F (020) 7375 4641  
E [irvine.rodger@rbos.com](mailto:irvine.rodger@rbos.com)

-----Original Message-----

**From:** FOSTER, Stephen James, Group Risk Mgmt  
**Sent:** 20 May 2004 16:34  
**To:** COLE, Guy, CBFM Regulatory Risk; NORRIE, Ben, Group Risk Mgmt  
**Cc:** RODGER, Irvine, CBFM Regulatory Risk; DAVIES, Rob, Group Risk Mgmt; JONES, Richard, CBFM Regulatory Risk  
**Subject:** RE: INTERPAL

This is a very thorough appraisal of the position and I support the proposal, with one question - is semi-annual sufficient for the £ and Euro accounts?

Please send your views on Worldcheck. They have asked me to meet a potential customer and I intend to tell them how it has been and is, warts and all.

-----Original Message-----

**From:** COLE, Guy, CBFM Regulatory Risk  
**Sent:** 20 May 2004 15:34  
**To:** FOSTER, Stephen James, Group Risk Mgmt; NORRIE, Ben, Group Risk Mgmt  
**Cc:** RODGER, Irvine, CBFM Regulatory Risk; DAVIES, Rob, Group Risk Mgmt; JONES, Richard, CBFM Regulatory Risk  
**Subject:** RE: INTERPAL

Stephen/Ben

We have ascertained that the payment mentioned below has not gone to the Islamic Charitable Society for al-Aqsa or Al-Aqsa Islamic Charitable Society. Although similarly named, the recipient of this payment is a separate charity <<[http://www.icshebron.org/branches\\_e.htm](http://www.icshebron.org/branches_e.htm)>>, which appears to be operating without any form of sanction placed on it.

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I attach a summary of my review of Interpal foreign payments in the last six months. All of the recipients of these payments were checked in Worldcheck, KYC Check and reviewed against available Google information << File: Doc1.doc >>

In consideration of the information in the document attached above. The background information for the Al-Islah charity, is an unofficial opinion from an Israeli website and no other reports or recognition of this charity having links to terrorism are recorded on any other websites. The Worldcheck information on [REDACTED] is factually incorrect, they state that the US Federal government and UN have acknowledged that the charity aids and abets terrorism. According to the KYC Check no sanctions have existed against this entity. The source of Worldcheck's information is a student's journal at the University of California. My recent experience

of Worldcheck has been disappointing, I will probably write a separate email concerning my Worldcheck findings, but in this instance if your search for the [REDACTED] against the WorldCheck 'part match' feature, no matches are found, if you then search for an 'exact match' one result is found

I am content to leave the Sterling and Euro accounts operating with a semi annual review taking place for foreign payments made from the accounts. Consideration will need to be given regarding the operation of the US Dollar account, as funds from this account will get frozen if they are transferred via a US domiciled/owned counterparty. We should also be alert to any new Charity names being added to the Bank of England's terrorism list. I believe Interpal is aware of the sensitivity of their position, and will be keen to ensure it does not breach Bank of England sanctions.

I'll assume you are happy with approach, unless I hear otherwise

Regards

Guy

Guy Cole  
CBFM Money Laundering Prevent Unit  
The Royal Bank of Scotland  
135 Bishopsgate, London, EC2M 3UR  
T (020) 7375 5433  
F (020) 7375 4641  
<<mailto:Guy.Cole@rbos.com>>

-----Original Message-----

**From:** FOSTER, Stephen James, Group Risk Mgmt  
**Sent:** 17 May 2004 11:24  
**To:** COLE, Guy, CBFM Regulatory Risk; NORRIE, Ben, Group Risk Mgmt  
**Cc:** RODGER, Irvine, CBFM Regulatory Risk; DAVIES, Rob, Group Risk Mgmt  
**Subject:** RE: INTERPAL

Guy, Ben is away all week, so I am replying on this  
You are correct that filtering is a group wide issue and that is why we have been working with key stakeholders like Payment Operations to develop the policy and capability. This continues and we know that it is a very important element of our counter-terrorism efforts

On the specific case of Interpal, I can understand the difficulties of filtering payments in the absence of an automated system. However, we do need to monitor account activity and I hope that the RM and MLPU can find a practical way to review the account movements periodically for odd items. You are right to highlight the reputational issues but if management decides they don't want the relationship, there are ways to exit that might not cause a problem

Please keep us in the loop with your investigations on the payments

-----Original Message-----

**From:** COLE, Guy, CBFM Regulatory Risk  
**Sent:** 17 May 2004 11:05  
**To:** NORRIE, Ben, Group Risk Mgmt  
**Cc:** FOSTER, Stephen James, Group Risk Mgmt; RODGER, Irvine, CBFM Regulatory Risk  
**Subject:** RE: INTERPAL

Ben

I understand the best people to speak to are either Shirley Ritson on 020 7672 6940 or Sarah Wallis on 020 7672 5826

**Redacted - Privileged**

**Redacted - Privileged**

I realise due to the US terrorist designation of Interpal, that we should be wary of the payments from their accounts with us, but in reality I believe there is very little we can effectively do to prevent payments being made without a payment filtering system, as the customer can initiate payments themselves without needing to contact the RM

I have not been directly involved with the Interpal issue until your recent correspondence and so have not considered previously the risks myself. I think any decision to keep/close the account must be carefully made, as closing the account without an identifiable reason will most probably result in adverse media attention, also if a terrorism related payment is identified as being made, we again

would suffer untoward regulatory/ media attention I spent Friday looking through the last six months of debits on Interpal accounts, I have seen a couple of payments that warranted further investigation, particularly the below

Transaction Date [REDACTED]  
Transaction Amount: [REDACTED]  
Transaction Type: S [REDACTED]  
Transaction References: +BTR/04/20-263  
[REDACTED]

Further system investigation has shown the recipient accounts details are the below

**EBANKGO04373632**

Bene acct name: [REDACTED]

Bene acct nmb: [REDACTED]

Bene bank: [REDACTED]

I need to conduct further investigations to establish whether this account could be the Islamic Charitable Society for al-Aqsa or Al-Aqsa Islamic Charitable Society. as this entity has been designated a terrorist group by the Bank of England.

Regards

Guy

**Guy Cole**  
**CBFM Money Laundering Prevent Unit**  
**The Royal Bank of Scotland**  
**135 Bishopsgate, London, EC2M 3UR**  
**T (020) 7375 5433**  
**F (020) 7375 4641**  
**<<mailto:Guy.Cole@rbos.com>>>**

-----Original Message-----

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 14 May 2004 10:03  
**To:** COLE, Guy, CBFM Regulatory Risk  
**Cc:** FOSTER, Stephen James, Group Risk Mgmt  
**Subject:** RE: INTERPAL

Do you have any contact in the Core Data Manager team that I could try? Is there any kind of agreement between CBFM and Manufacturing that would serve as a mandate to have this work performed on an on-going basis?

Im and not sure whether you were aware but until a few weeks ago the NatWest logo was used prominently on the Interpal website in soliciting donations Did you or the RM have Interpal remove this? Are the CBFM MLPU happy with the potential risks in continuing this relationship?

Ben

-----Original Message-----

**From:** COLE, Guy, CBFM Regulatory Risk  
**Sent:** 06 May 2004 16:51  
**To:** NORRIE, Ben, Group Risk Mgmt  
**Subject:** RE: INTERPAL

Ben

The Relationship Manager is aware of the potential terrorism connections with this account and liased with Derek Brand during the account freeze Although diligent in their interaction with the customer, the RM has no ability to filter or effciently monitor payments, I understand that this could be done in the Core Data Manager team in Manufacturing who control payment blocking and restrictions.

Regards

Guy

**Guy Cole**

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135 Bishopsgate, London, EC2M 3UR  
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**Sent:** 06 May 2004 15:55  
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**Subject:** FW: INTERPAL

Guy,

Haven't heard back from you on the below?

Ben

-----Original Message-----

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 21 April 2004 17:05  
**To:** COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk); Sludden, Tom  
**Cc:** DAVIES, Rob, Group Risk Mgmt  
**Subject:** INTERPAL

Gentlemen,

You may remember [REDACTED] we have previously reported to the Bank of England against INTERPAL and its various aka's (including Education Aid for Palestine, Palestinians Relief & Development Fund, etc) There was an investigation by the Charities Commission and Special Branch in to potential links with Hamas, no action was taken against the charity. At this time we attempted to confirm with the Bank of England that [REDACTED] The Bank of England advised that [REDACTED]

[REDACTED] We therefore undertook to monitor the transactions going forward. Can I ask you to investigate whether any enhanced due diligence has been put in place over these accounts (not sure the above was communicated, therefore suspect not) and if not take steps to ensure that measures are put in place. I have some details of the accounts and cards should you require. Please contact me if any of the above is not clear.

Kind Regards,  
Ben Norrie

Group Risk Management  
Royal Bank of Scotland Group  
5th Floor, 280 Bishopsgate  
London EC2M 4RB  
Tel: 00 44 (0) 20 7334 1460  
Fax: 00 44 (0) 20 7375 4813  
Email: ben.norrie@rbos.com

**DAVIES, Rob, Group Risk Mgmt**

---

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 29 April 2004 08 43  
**To:** DAVIES, Rob, Group Risk Mgmt  
**Subject:** FW: INTERPAL

makes that discount easy .

-----Original Message-----

**From:** Derham, Bill (Cards Risk)  
**Sent:** 29 April 2004 08:34  
**To:** Sludden, Tom  
**Cc:** NORRIE, Ben, Group Risk Mgmt  
**Subject:** FW: INTERPAL

Tom

As you can see from Ian's note, we have nothing to monitor, the facility has now been terminated at request of the customer. No further action proposed on this

**Bill Derham**

Cards Business - Operational Risk  
Internal (788) 25405  
External 0207 672 5405  
Facsimile 0207 672 5432  
E-mail bill.derham@rbs.co.uk

Cards Operational Risk  
7th Floor  
2 1/2 Devonshire Square  
London EC2M 4BA

-----Original Message-----

**From:** Hibbett, Ian  
**Sent:** Wednesday, April 28, 2004 11 23 AM  
**To:** Derham, Bill (Cards Risk)  
**Subject:** RE: INTERPAL

Bill

The details from Southend Commercial re the facility for Interpal is as follows:-

'Credit card account opened 13/01/04, this is an exact match with the address, but the account has subsequently been closed 3/3/04 upon the request of the point of contact. The account was never actually used, statements only show £30 card fee & £10 late pyt fee, which have been refunded.'

Do we need to monitor this?

-----Original Message-----

**From:** Derham, Bill (Cards Risk)  
**Sent:** 27 April 2004 08 54  
**To:** Hibbett, Ian  
**Subject:** FW: INTERPAL

Ian

We recently reported a Comm Card facility for Interpal, can find, add into the monitoring and have a quick chat.

**Bill Derham**

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E-mail bill.derham@rbs.co.uk



Cards Operational Risk  
7th Floor  
2 1/2 Devonshire Square  
London EC2M 4BA

-----Original Message-----

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** Monday, April 26, 2004 9 26 AM  
**To:** Sludden, Tom  
**Cc:** DAVIES, Rob, Group Risk Mgmt; COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk)  
**Subject:** RE: INTERPAL

Thanks Tom

Subsequent to the email attached we gave an undertaking to the BoE to monitor interpal going forward, where possible

Understand that this might not be practical on the streamline terminal, however what about the cards held? (prompted to think about interpal by the match we have record on a recent card application)

Ben

-----Original Message-----

**From:** Sludden, Tom  
**Sent:** 23 April 2004 15:25  
**To:** NORRIE, Ben, Group Risk Mgmt  
**Cc:** DAVIES, Rob, Group Risk Mgmt; COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk)  
**Subject:** RE: INTERPAL

Ben

We have not completed any additional due diligence on this connection as a result of previous instruction - please refer to attached email. In regard to money being paid from Interpal to Hamas, a review of the Interpal streamline connection would not shed any light on this as all funds rec'd to interpal by way of credit or debit card payments would be settled to a bank account in the name of Interpal (no third party payments possible from streamline account).

If there have been any payments to Hamas they would have to come from the main banking account.

<< Message: FW: Retail Direct - Sanctions & Terrorist Financing New RBS Group Search Request - GRM  
TER 26\_08\_03 >>

Tom Sludden  
Retail Direct Finance  
Governance Manager  
24/25 St Andrew Square

Tel: 0131 525 1497  
Fax: 0131 523 9784

-----Original Message-----

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 21 April 2004 17 05  
**To:** COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk), Sludden, Tom  
**Cc:** DAVIES, Rob, Group Risk Mgmt  
**Subject:** INTERPAL

Gentlemen,

You may remember the matches we have previously reported to the Bank of England against INTERPAL and its various aka's (including Education Aid for Palestine, Palestinians Relief & Development Fund, etc). There was an investigation by the Charities Commission and Special Branch in to potential links with Hamas, no action was taken against the charity. At this time we attempted to confirm with the Bank of England that there was no action required (INTERPAL is listed by OFAC only). The Bank of England advised t

[REDACTED] We therefore undertook to monitor the transactions going forward. Can I ask you to investigate whether any enhanced due diligence has been put in place over these accounts (not sure the above was communicated, therefore suspect not) and if not take steps to ensure that measures are put in place. I have some details of the accounts and cards should you require. Please contact me if any of the above is not clear.

Kind Regards,  
Ben Norrie

Group Risk Management  
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Tel: 00 44 (0) 20 7334 1460  
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Email: ben.norrie@rbos.com

\*\*\*\*\*  
\*\*\*\*\*

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<http://www.rbs.co.uk/CBFM>  
<http://www.rbsmarkets.com>

\*\*\*\*\*

**DAVIES, Rob, Group Risk Mgmt**

---

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 06 May 2004 16:56  
**To:** FOSTER, Stephen James, Group Risk Mgmt  
**Subject:** FW: INTERPAL

fyi

we undertook with the BoE to monitor interpal going forward to date we have not put anything in place (my fault, this one slipped my attention). from the below it looks like this might not be straightforward any thoughts?

-----Original Message-----

**From:** COLE, Guy, CBFM Regulatory Risk  
**Sent:** 06 May 2004 16:51  
**To:** NORRIE, Ben, Group Risk Mgmt  
**Subject:** RE: INTERPAL

Ben

The Relationship Manager is aware of the potential terrorism connections with this account and liased with Derek Brand during the account freeze. Although diligent in their interaction with the customer, the RM has no ability to filter or efficiently monitor payments, I understand that this could be done in the Core Data Manager team in Manufacturing who control payment blocking and restrictions.

Regards

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The Royal Bank of Scotland  
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**Sent:** 21 April 2004 17:05  
**To:** COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk); Sludden, Tom  
**Cc:** DAVIES, Rob, Group Risk Mgmt  
**Subject:** INTERPAL

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You may remember the matches we have previously reported to the Bank of England against INTERPAL and its various aka's (including Education Aid for Palestine, Palestinians Relief & Development Fund, etc) There was an investigation by the Charities Commission and Special Branch in to potential links with Hamas, no action was taken against the charity. At this time we attempted to confirm with the Bank of England that there was no action required (INTERPAL is listed by OFAC only). The Bank of England advised that the Terrorism Order 2001 does cover Hamas (to which INTERPAL was purportedly linked) and any payments from INTERPAL to Hamas would constitute a breach of the sanctions legislation. We therefore undertook to monitor the transactions going forward. Can I ask you to investigate whether any enhanced due diligence has been put in place over these accounts (not sure the above was communicated, therefore suspect not) and if not take steps to ensure that measures are put in

place. I have some details of the accounts and cards should you require. Please contact me if any of the above is not clear

**Kind Regards,  
Ben Norrie**

Group Risk Management  
Royal Bank of Scotland Group  
5th Floor, 280 Bishopsgate  
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Tel: 00 44 (0) 20 7334 1460  
Fax: 00 44 (0) 20 7375 4813  
Email: ben.norrie@rbos.com

**DAVIES, Rob, Group Risk Mgmt**

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**From:** Derham, Bill (Cards Risk)  
**Sent:** 29 April 2004 08:34  
**To:** Sludden, Tom  
**Cc:** NORRIE, Ben, Group Risk Mgmt  
**Subject:** FW: INTERPAL

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As you can see from Ian's note, we have nothing to monitor, the facility has now been terminated at request of the customer. No further action proposed on this

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External 0207 672 5405  
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E-mail bill.derham@rbs.co.uk

Cards Operational Risk  
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**Sent:** Wednesday, April 28, 2004 11:23 AM  
**To:** Derham, Bill (Cards Risk)  
**Subject:** RE: INTERPAL

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Do we need to monitor this?

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**From:** Derham, Bill (Cards Risk)  
**Sent:** 27 April 2004 08:54  
**To:** Hibbett, Ian  
**Subject:** FW: INTERPAL

Ian

We recently reported a Comm Card facility for Interpal, can find, add into the monitoring and have a quick chat

**Bill Derham**

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E-mail bill.derham@rbs.co.uk

Cards Operational Risk  
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London EC2M 4BA

-----Original Message-----

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** Monday, April 26, 2004 9:26 AM

To: Sludden, Tom  
Cc: DAVIES, Rob, Group Risk Mgmt, COLE, Guy, CBFM Regulatory Risk, Derham, Bill (Cards Risk)  
Subject: RE INTERPAL

Thanks Tom

Subsequent to the email attached we gave an undertaking to the BoE to monitor interpal going forward, where possible.

Understand that this might not be practical on the streamline terminal, however what about the cards held? (prompted to think about interpal by the match we have record on a recent card application)

Ben

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**From:** Sludden, Tom  
**Sent:** 23 April 2004 15:25  
**To:** NORRIE, Ben, Group Risk Mgmt  
**Cc:** DAVIES, Rob, Group Risk Mgmt; COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk)  
**Subject:** RE: INTERPAL

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If there have been any payments to Hamas they would have to come from the main banking account.

<< Message FW: Retail Direct - Sanctions & Terrorist Financing: New RBS Group Search Request - GRM TER 26\_08\_03 >>

Tom Sludden  
Retail Direct Finance  
Governance Manager  
24/25 St Andrew Square

Tel: 0131 525 1497  
Fax: 0131 523 9784

-----Original Message-----

**From:** NORRIE, Ben, Group Risk Mgmt  
**Sent:** 21 April 2004 17:05  
**To:** COLE, Guy, CBFM Regulatory Risk, Derham, Bill (Cards Risk), Sludden, Tom  
**Cc:** DAVIES, Rob, Group Risk Mgmt  
**Subject:** INTERPAL

Gentlemen,

You may remember [REDACTED] we have previously reported to the Bank of England against INTERPAL and its various aka's (including Education Aid for Palestine, Palestinians Relief & Development Fund, etc). There was an investigation by the Charities Commission and Special Branch in to potential links with Hamas, no action was taken against the charity. At this time we attempted to confirm with the Bank of England that [REDACTED] The Bank of England advised that [REDACTED]

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\*\*\*\*\*  
\*\*\*\*\*  
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<http://www.rbsmarkets.com>

\*\*\*\*\*

**EXHIBIT 98 to Declaration of Joel Israel**



**From:** COLE, Guy, CBFM Regulatory Risk  
**Sent:** Thursday, May 20, 2004 10:34 AM  
**To:** FOSTER, Stephen James, (GSE AML); NORRIE, Ben, Group Risk Mgmt  
**Cc:** RODGER, Irvine, MLPU; DAVIES, Rob, Group Risk Mgmt; JONES, Richard, MLPU  
**Subject:** RE: INTERPAL  
**Attachments:** Doc1.doc

Stephen/Ben

We have ascertained that the payment mentioned below has not gone to the Islamic Charitable Society for al-Aqsa or Al-Aqsa Islamic Charitable Society. Although similarly named, the recipient of this payment is a separate charity <[http://www.icshebron.org/branches\\_e.htm](http://www.icshebron.org/branches_e.htm)>, which appears to be operating without any form of sanction placed on it.

From my trawls for information on the internet I have not found any information that substantiates beyond opinion that Interpal has made payments to terrorist groups. It appears the perspective taken by Israel towards Interpal and other charities operating/funding schools/orphanages/hostels in Palestine and Gaza, is that these charities perpetuate terrorism as terrorists know that if they die their dependents will be looked after by the charities. This charity is the predominant UK charity providing relief in this region, it hosted and funded a visit by British MPs to the region in 1998. Looking at the accounts there are also a large number of small (e.g. £2) direct debits being paid into the charity's account from UK donators, and so a change of their banking arrangements will probably result in some form of media commentary.

I attach a summary of my review of Interpal foreign payments in the last six months. All of the recipients of these payments were checked in Worldcheck, KYC Check and reviewed against available Google information

In consideration of the information in the document attached above. The background information for the Al-Islah charity, is a an unofficial opinion from an Israeli website and no other reports or recognition of this charity having links to terrorism are recorded on any other websites. The Worldcheck information on [REDACTED] is factually incorrect, they state that the US Federal government and UN have acknowledged that the charity aids and abets terrorism. According to the KYC Check no sanctions have existed against this entity. The source of Worldcheck's information is a student's journal at the University of California. My recent experience of Worldcheck has been disappointing, I will probably write a separate email concerning my Worldcheck findings, but in this instance if your search for the [REDACTED] against the WorldCheck 'part match' feature, no matches are found, if you then search for an 'exact match' one result is found.

I am content to leave the Sterling and Euro accounts operating with a semi annual review taking place for foreign payments made from the accounts. Consideration will need to be given regarding the operation of the US Dollar account, as funds from this account will get frozen if they are transferred via a US domiciled/owned counterparty. We should also be alert to any new Charity names being added to the Bank of England's terrorism list. I believe Interpal is aware of the sensitivity of their position, and will be keen to ensure it does not breach Bank of England sanctions.

I'll assume you are happy with approach, unless I hear otherwise.

Regards

Guy

Guy Cole  
CBFM Money Laundering Prevent Unit  
The Royal Bank of Scotland

135 Bishopsgate, London, EC2M 3UR

T (020) 7375 5433

F (020) 7375 4641

<mailto:Guy.Cole@rbos.com>

-----Original Message-----

From: FOSTER, Stephen James, Group Risk Mgmt

Sent: 17 May 2004 11:24

To: COLE, Guy, CBFM Regulatory Risk; NORRIE, Ben, Group Risk Mgmt

Cc: RODGER, Irvine, CBFM Regulatory Risk; DAVIES, Rob, Group Risk Mgmt

Subject: RE: INTERPAL

Guy, Ben is away all week, so I am replying on this.

You are correct that filtering is a group wide issue and that is why we have been working with key stakeholders like Payment Operations to develop the policy and capability. This continues and we know that it is a very important element of our counter -terrorism efforts.

On the specific case of Interpal, I can understand the difficulties of filtering payments in the absence of an automated system. However, we do need to monitor account activity and I hope that the RM and MLPU can find a practical way to review the account movements periodically for odd items. You are right to highlight the reputational issues but if management decides they don't want the relationship, there are ways to exit that might not cause a problem.

Please keep us in the loop with your investigations on the payments.

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From: COLE, Guy, CBFM Regulatory Risk

Sent: 17 May 2004 11:05

To: NORRIE, Ben, Group Risk Mgmt

Cc: FOSTER, Stephen James, Group Risk Mgmt; RODGER, Irvine, CBFM Regulatory Risk

Subject: RE: INTERPAL

Ben

I understand the best people to speak to are either Shirley Ritson on 020 7672 6940 or Sarah Wallis on 020 7672 5826.

**Redacted - Privileged**

**Redacted - Privileged**

I realise due to the US terrorist designation of Interpal, that we should be wary of the payments from their accounts with us, but in reality I believe there is very little we can effectively do to prevent payments being made without a payment filtering system, as the customer can initiate payments themselves without needing to contact the RM.

I have not been directly involved with the Interpal issue until your recent correspondence and so have not considered previously the risks myself. I think any decision to keep/close the account must be carefully made, as closing the account without an identifiable reason will most probably result in adverse media attention, also if a terrorism related payment is identified as being made, we again would suffer untoward regulatory/ media attention. I spent Friday looking through the last six months of debits on Interpal accounts, I have seen a couple of payments that warranted further investigation, particularly the below:

Transaction Date: [REDACTED]  
Transaction Amount: [REDACTED]  
Transaction Type: [REDACTED]  
Transaction References: +BTR/04/20-263  
[REDACTED]

Further system investigation has shown the recipient accounts details are the below:

EBANKGO04373632

Bene acct name: [REDACTED]

Bene acct nmbr: [REDACTED]

Bene bank: [REDACTED]

I need to conduct further investigations to establish whether this account could be the Islamic Charitable Society for al-Aqsa or Al-Aqsa Islamic Charitable Society. as this entity has been designated a terrorist group by the Bank of England.

Regards

Guy

Guy Cole  
CBFM Money Laundering Prevent Unit  
The Royal Bank of Scotland  
135 Bishopsgate, London, EC2M 3UR  
T (020) 7375 5433  
F (020) 7375 4641  
<<mailto:Guy.Cole@rbos.com>>

-----Original Message-----

From: NORRIE, Ben, Group Risk Mgmt  
Sent: 14 May 2004 10:03  
To: COLE, Guy, CBFM Regulatory Risk  
Cc: FOSTER, Stephen James, Group Risk Mgmt  
Subject: RE: INTERPAL

Do you have any contact in the Core Data Manager team that I could try? Is there any kind of agreement between CBFM and Manufacturing that would serve as a mandate to have this work performed on an on-going basis?

Im and not sure whether you were aware but until a few weeks ago the NatWest logo was used prominently on the Interpal website in soliciting donations. Did you or the RM have Interpal remove this? Are the CBFM MLPU happy with the potential risks in continuing this relationship?

Ben

-----Original Message-----

From: COLE, Guy, CBFM Regulatory Risk  
Sent: 06 May 2004 16:51  
To: NORRIE, Ben, Group Risk Mgmt  
Subject: RE: INTERPAL

Ben

The Relationship Manager is aware of the potential terrorism connections with this account and liased with Derek Brand during the account freeze. Although diligent in their interaction with the customer, the RM has no ability to filter or efficiently monitor payments, I understand that this could be done in the Core Data Manager team in Manufacturing who control payment blocking and restrictions.

Regards

Guy

Guy Cole  
CBFM Money Laundering Prevent Unit  
The Royal Bank of Scotland  
135 Bishopsgate, London, EC2M 3UR  
T (020) 7375 5433  
F (020) 7375 4641  
<<mailto:Guy.Cole@rbos.com>>

-----Original Message-----

From: NORRIE, Ben, Group Risk Mgmt  
Sent: 06 May 2004 15:55  
To: COLE, Guy, CBFM Regulatory Risk  
Subject: FW: INTERPAL

Guy,

Haven't heard back from you on the below?

Ben.

-----Original Message-----

From: NORRIE, Ben, Group Risk Mgmt  
Sent: 21 April 2004 17:05  
To: COLE, Guy, CBFM Regulatory Risk; Derham, Bill (Cards Risk); Sludden, Tom  
Cc: DAVIES, Rob, Group Risk Mgmt  
Subject: INTERPAL

Gentlemen,

You may remember [REDACTED] we have previously reported to the Bank of England against INTERPAL and its various aka's (including Education Aid for Palestine, Palestinians Relief \_Development Fund, etc). There was an investigation by the Charities Commission and Special Branch in to potential links with Hamas, no action was taken against the charity. At this time we attempted to confirm with the Bank of England that [REDACTED]

[REDACTED] The Bank of England advised that [REDACTED]  
[REDACTED]

[REDACTED] We therefore undertook to monitor the transactions going forward. Can I ask you to investigate whether any enhanced due diligence has been put in place over these accounts (not sure the above was communicated, therefore suspect not) and if not take steps to ensure that measures are put in place. I have some details of the accounts and cards should you require. Please contact me if any of the above is not clear.

Kind Regards,  
Ben Norrie

Group Risk Management  
Royal Bank of Scotland Group  
5th Floor, 280 Bishopsgate  
London EC2M 4RB  
Tel: 00 44 (0) 20 7334 1460  
Fax: 00 44 (0) 20 7375 4813  
Email: ben.norrie@rbos.com

Recipients of principal payments made from the Interpal sterling account in the last six months, (the bold letters were the letters recorded on the system). All names have been searched for on the Internet and any untoward information is recorded below

- a. [REDACTED]
- b. [REDACTED]
- c. **Islamic Charitable society**
- d. [REDACTED]
- e. [REDACTED]
- f. [REDACTED]
- g. [REDACTED]
- h. [REDACTED]
- i. [REDACTED]
- j. [REDACTED]
- k. [REDACTED]
- l. [REDACTED]
- m. **Al Islah Charitable association**
- n. [REDACTED]
- o. [REDACTED]
- p. **El-Wafa Charitable society**
- q. [REDACTED]
- r. **Tulkarem Zakat Committee**
- s. [REDACTED]

C: AL-AQSA FOUNDATION

- aka **Al-Aqsa Charitable Foundation**
- aka **Sanabil al-Aqsa Charitable Foundation**
- aka **Al-Aqsa Charitable Organization**
- aka **Charitable Al-Aqsa Establishment**
- aka **Aqssa Society**
- aka **Al-Aqsa Islamic Charitable Society**
- aka **Islamic Charitable Society for al-Aqsa**
- aka **Charitable Society to Help the Noble al-Aqsa**
- aka **Aqsa Charitable Establishment**
- aka **Swedish Charitable Aqsa Est**
- aka **AQSSA SOCIETY YEMEN**
- aka **Al-Aqsa Charitable Organisation**
- (EU) **Council Common Position 2001/931/CFSP**
- (EU) **Council Regulation (EC) No 2580/2001**
- (Bank of England) **Terrorist Financing - List of Suspects**
- (OFAC) **Specially Designated Global Terrorists**
- (Isle of Man FSC) **Sanctions Notice 9 - Afghanistan, Terrorism, Al-Qa'ida and Taliban**
- (OSFI) **United Nations Suppression of Terrorism Regulations (UNSTR)**

G)

\* General Legal Notice

LAST NAME: [REDACTED]

CATEGORY:<sup>2</sup> **TERRORISM**

FIRST NAME: [REDACTED]

SUBCATEGORY: **PEP**

OFFICIAL LIST(S):

ALIAS(ES):

ALTERNATIVE SPELLING: [REDACTED]

TITLE:

POSITION:

AGE:  
PLACE OF BIRTH:  
PASSPORT(S):  
SSN:  
LOCATION(S):  
SAUDI ARABIA

DOB:  
DECEASED:  
COUNTRY:  
SAUDI ARABIA (SA)

Company(ies) reported in sources below:  
AL QAIDA  
AL-HARAMAIN FOUNDATION  
AL-HARAMAIN ISLAMIC FOUNDATION  
AL-HARAMAIN ISLAMIC FOUNDATION  
AL-HARAMAIN ISLAMIC FOUNDATION  
AL-SHAMAL ISLAMIC BANK  
AMERICAN MUSLIM FOUNDATION  
DAR AL-MAAL AL-ISLAMI  
HAMAS  
INTERNATIONAL ISLAMIC RELIEF ORGANIZATION  
MUSLIM WORLD LEAGUE  
SANA-BELL, INC  
SANABIL AL-KHAIR  
SAUDI JOINT RELIEF COMMITTEE  
SUCCESS FOUNDATION, INC  
SUPREME COUNCIL FOR ISLAMIC REVOLUTION IN IRAQ  
THE SAAR FOUNDATION  
THE SAAR FOUNDATION USA

Reported to be linked to:<sup>3</sup>

<u>AFANDI Ibrahim Muhammad</u>	<u>AL-ALI Sulaiman</u>
<u>AL-AQEEL Aqeel</u>	<u>AL-KADI Mansour</u>
<u>AL-RAJHI Sulaiman Abdul Aziz</u>	<u>BAHFZALLAH Hassan AA</u>
<u>BASHA Adan</u>	<u>EL-ASHI Arafat</u>
<u>INTERNATIONAL ISLAMIC RELIEF ORGANIZATION</u>	<u>ISLAMIC JIHAD</u>
<u>JABALLAH Mohmous</u>	<u>JOHANI Maneh Hammadal</u>
<u>KHALIFA Mohammed Jamal</u>	<u>NADA Youssef</u>
<u>OMEISH Mohamed S</u>	

The following information was reported in one or more of the sources below:  
Reportedly founded in 1972 in Riyadh - has funded organizations the federal government and UN have acknowledged aid and abet terrorism. They include the International Islamic Relief Organization, al-Haramain and the Muslim World League - has been connected with the funding of al Qaeda, Hamas and Islamic Jihad. It has also been directly linked with the 1993 World Trade Center Bombings - headed by Mohammed Khalifa, Osama bin Laden's brother-in-law. 2003.

Information Sources:  
ARCHIVE <http://www.calpatriot.org/may03/terror.htm>  
ARCHIVE <http://www.takingitglobal.org/opps/orgdir.html?vieworg=226>  
<http://www.webcom.com/hrin/magazine/binladenrelatives.http://...>  
ARCHIVE <http://esa.un.org/socdev/unyin/countrys.asp?countrycode=sa>

**J: 100% AL-AQSA FOUNDATION**

-- aka Aqssa Society  
-- aka Al-Aqsa Islamic Charitable Society  
-- aka Islamic Charitable Society for al-Aqsa  
-- aka Charitable Society to Help the Noble al-Aqsa  
-- aka AQSSA SOCIETY YEMEN  
(OFAC) Specially Designated Global Terrorists  
(EU) Council Common Position 2001/931/CFSP  
(EU) Council Regulation (EC) No 2580/2001  
(Bank of England) Terrorist Financing - List of Suspects  
(Isle of Man FSC) Sanctions Notice 9 - Afghanistan, Terrorism, Al-Qa'ida and Taliban  
(OSFI) United Nations Suppression of Terrorism Regulations (UNSTR)

**100% Revival of Islamic Heritage Society**

-- aka Revival of Islamic Society Heritage on the African Continent  
-- aka Revival of Islamic Heritage Society 6  
-- aka Revival of Islamic Heritage Society (RIHS)  
(OFAC) Specially Designated Global Terrorists  
(EU) Council Regulation (EC) No 881/2002  
(EU) Council Regulation (EC) No 467/2001  
(Bank of England) Terrorist Financing - List of Suspects  
(Isle of Man FSC) Sanctions Notice 6 - Terrorism (United Nations Measures)  
(Isle of Man) Order 2001  
(Isle of Man FSC) Sanctions Notice 3 - Financial Sanctions against Afghanistan, Taliban & Usama Bin Laden  
(Isle of Man FSC) Sanctions Notice 9 - Afghanistan, Terrorism, Al-Qa'ida and Taliban  
(United Nations) Security Council Committee established pursuant to resolution 1267 (1999) concerning Afghanistan  
(OSFI) United Nations Suppression of Terrorism Regulations (UNSTR)

**100% JAM'YAH TA'AWUN AL-ISLAMIA**

-- aka SOCIETY OF ISLAMIC COOPERATION  
(OFAC) Specially Designated Global Terrorists  
(EU) Council Regulation (EC) No 881/2002  
(EU) Council Regulation (EC) No 467/2001  
(Bank of England) Terrorist Financing - List of Suspects  
(Isle of Man FSC) Terrorist Financing - List of Suspects  
(Isle of Man FSC) Sanctions Notice 6 - Terrorism (United Nations Measures)  
(Isle of Man) Order 2001  
(Isle of Man FSC) Sanctions Notice 3 - Financial Sanctions against Afghanistan, Taliban & Usama Bin Laden  
(Isle of Man FSC) Sanctions Notice 9 - Afghanistan, Terrorism, Al-Qa'ida and Taliban  
(United Nations) Security Council Committee established pursuant to resolution 1267 (1999) concerning Afghanistan  
(OSFI) United Nations Suppression of Terrorism Regulations (UNSTR)

**K) [www.aloufok.net/article.php3?id\\_article=137](http://www.aloufok.net/article.php3?id_article=137)**

In Hebron, in Wad Al Kroom neighborhood, three Palestinians were arrested. Among them are two brothers, Fou'ad and Mourad AL Natsha (17 and 18).

M)

[http://www.intelligence.org.il/eng/c\\_t/ris\\_4\\_04.htm](http://www.intelligence.org.il/eng/c_t/ris_4_04.htm).

Al-Islah Charitable Association in Ramallah

- a. The association, outlawed in 2002, is known for its direct affiliation with Hamas. It maintains an extensive network of contacts with Hamas activists abroad, who are responsible for the distribution of Hamas funds in the Palestinian Authority administered territories. The association has been active since February 2000. Funds from various associations abroad have been transferred to its account; a significant share of those funds originate from foundations outlawed both in Israel and abroad, such as the Charity Coalition ( I'tilaf al-Khayr ), the Al-Aqsa Foundation, and the London-based Interpal organization.
- b. Senior Hamas operatives directly involved in military operations rank among the members of the Islamic Association in Al-Birah. The association provides financial assistance to families of killed or detained Hamas operatives; in addition, it sponsors the activity of the Islamic Bloc ( Al-Kutlah al-Islamiyyah ), the Hamas student movement in higher education establishments (outlawed in 2003). The association also finances conventions, demonstrations and memorial ceremonies of the Hamas movement, providing it with a fertile ground for incitement and recruitment of terrorist operatives.
- c. The founder of the association in Ramallah, who also served as its leader until his arrest in April 2002, is Jamal Tawil. He was involved in the suicide bombing attack on the Ben-Yehuda pedestrian shopping street in the heart of Jerusalem (December 2001), in which 11 Israelis were killed and 170 were wounded. During interrogation, Tawil admitted that he had decided to open an Al-Islah branch early in 2000 in order to provide a legal cover for Hamas activity. Furthermore, Tawil pointed out that as part of his activity he had provided financial assistance to Hamas prisoners and their families, and that he had transferred funds to the heads of the Hamas operative headquarters in Ramallah.